



**Australian Government**  
**Registered Organisations Commission**

19 December 2017

Mr Sam Popovski  
Secretary  
The Community and Public Sector Union, PSU Group, CSIRO Section

By e-mail: [csstaff@cpsu.org.au](mailto:csstaff@cpsu.org.au)

Dear Mr Popovski

**The Community and Public Sector Union, PSU Group, CSIRO Section**  
**Financial Report for the year ended 30 June 2017 - FR2017/30**

I acknowledge receipt of the financial report for the year ended 30 June 2017 for the Community and Public Sector Union, PSU Group, CSIRO Section (CPSU-C). The financial report was lodged with the Registered Organisations Commission (ROC) on 30 November 2017.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

Whilst the 2017 report has been filed the following should be addressed in the preparation of the next financial report.

**General Purpose Financial Report (GPFR)**

Accounting judgments and estimates

Australian Accounting Standard *AASB 101 Presentation of Financial Statements* paragraph 122 requires that the notes to the financial statements include a discussion on the significant accounting judgments and estimates applied. No such discussion has been included in the Notes.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 9603 0707 or by email at [ken.morgan@roc.gov.au](mailto:ken.morgan@roc.gov.au)

Yours faithfully

A handwritten signature in black ink, appearing to read 'K. Morgan'.

**KEN MORGAN**  
**Financial Reporting Advisor**  
**Registered Organisations Commission**

**CSIRO SECTION, COMMUNITY AND PUBLIC SECTOR UNION  
(CPSU: PSU GROUP)**

s.268 Fair Work (Registered Organisations) Act 2009

**Certificate By Prescribed Designated Officer<sup>1</sup>**

Certificate for the year ended 30<sup>th</sup> June 2017

I, SAM POPOVSKI, being the SECRETARY of the CSIRO SECTION, COMMUNITY AND PUBLIC SECTOR UNION (CPSU: PSU GROUP) certify:

- that the documents lodged herewith are copies of the full report for the CSIRO SECTION, COMMUNITY AND PUBLIC SECTOR UNION (CPSU: PSU GROUP) for the period ended referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on 2<sup>nd</sup> November 2017; and
- that the full report was presented to a general meeting of members of the reporting unit on 24<sup>th</sup> November 2017 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:

.....

Name of prescribed designated officer:

SAM POPOVSKI  
.....

Title of prescribed designated officer:

SECRETARY

CSIRO SECTION, COMMUNITY AND PUBLIC SECTOR UNION (CPSU: PSU GROUP)  
.....

Dated: 30 November 2017

<sup>1</sup> Regulation 162 of the *Fair Work (Registered Organisations) Regulations 2009* defines a 'prescribed designated officer' of a reporting unit for the purposes of s.268(c) as:  
(a) the secretary; or  
(b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

## CSIRO STAFF ASSOCIATION

### COMMITTEE OF MANAGEMENT CERTIFICATE

On the 30<sup>th</sup> of October 2017 the Committee of Management of the CSIRO Staff Association passed the following resolution in relation to the general purpose financial report for the financial year ended 30 June 2017:

The Committee of Management declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the general purpose financial report relates and since the end of that year:
  - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
  - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting units have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
  - (v) where information has been sought in any request of a member of the reporting unit or the Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and
  - (vi) where any order for inspection of financial records made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) no revenue has been derived from undertaking recovery of wages activity during the reporting period.

This declaration is made in accordance with a resolution of the Committee of Management:

  
SONIA GROCKE  
Section President (Acting)

  
SAM POPOVSKI  
Section Secretary

Dated this 30<sup>th</sup> day of October 2017

**CSIRO Staff Association**  
(CSIRO Section of the CPSU, PSU Group)

**Operating Report**  
*for the year ended 30 June 2017*

The Committee of Management presents its operating report on the Reporting Unit for the year ended 30 June 2017.

**About the CSIRO Staff Association**

The CSIRO Staff Association (the Association) is a Section of the Community and Public Sector Union (CPSU, PSU Group). The Association represents the professional and industrial interests of members employed in the Commonwealth Scientific and Industrial Research Organisation (CSIRO), the Australian Astronomical Observatory (AAO) and the National Measurement Institute (NMI). We also represent associate members of the Association who have been employed or associated with these organisations or are students currently in these organisations.

The Association aims to protect and progress the interests of members by bringing them together collectively and democratically. In doing so, the Association seeks to:

- Assist members in enforcing their rights at work, including the rights to:
  - fair and equitable treatment at work;
  - proper recognition and remuneration for merit;
  - reasonable conditions and a balanced working life; and
  - a workplace which is healthy, safe and environmentally sustainable.
- Represent the views of members to their Organisation's management.
- Make claims or representations on behalf of members to appropriate authorities.
- Provide advocacy for the membership to Government and other political or policy bodies in the interests of the CSIRO, AAO, NMI and their staff.
- Cooperate with other parts of the CPSU, other unions, the ACTU and other organisations to progress matters of common interest.

**Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year**

In 2016-17, the Association Council met on six occasions: two in face and four by telephone. The Association Executive met formally on three occasions: two in face and one by telephone and met informally every month by telephone. Minutes of formal meetings record the motions and actions of the Council and Executive.

In 2016-17, the Association Council implemented a number of key activities and campaigns, driven by input and participation of Association delegates and members:

- Enterprise bargaining: the major focus of the Association. Bargaining concluded in June 2017 after three and a half years of difficult campaigning and negotiations. In spite of the regressive Government bargaining policy, members achieved the protection of 90% of Enterprise Agreement rights and conditions and average 2% per annum pay rises until November 2020.
- Protecting jobs and enforcing working conditions: the second major focus. Continued redundancies at CSIRO resulted in industrial and organising activities to reduce proposed job losses and protect the entitlements of members. AAO members worked collectively to seek consultation and influence given the Government's decision to move the organisation out of the Department of Industry, Innovation and Science.
- Advocating for CSIRO and science: a reduced focus relative to 2015-16, given the culmination of activities ahead of the 2016 Federal Election as well as Association resources devoted to the final year of enterprise bargaining. Association representatives met with the two Science Ministers during 2016-17 as well as several other politicians. The Support CSIRO and Proud To Be Public campaigns continued to gain support from Association members and the wider community.



- Consultative Council: a legislated forum normally held twice every year, between Association representatives and the CSIRO CEO and Executive. In 2016-17, a range of issues were addressed including: CSIRO's research in the Environment, Energy and Resources group, engagement with the new Federal Government and Ministers, organisational reviews and change processes and the viability of regional sites.
- Member support and communications: the Association provides support, advice and assistance for all our members. The Association's communication activities particularly through emails and the website continued to grow, with regular Pulse newsletters profiling at least six topics every 4-6 weeks.
- More details on the range and results of Association's activities (including activities not summarised above) can be found at <http://cpsu-csiro.org.au>

#### **Significant changes in financial affairs**

The Association returned an overall operating deficit for the year of \$255,216. This result compared to the budgeted deficit for the year of \$157,176. Total income was \$126,734 less than budgeted whilst total expenditure was \$28,694 less than budgeted. The variance in total income arose from lower than budgeted subscription income whilst the variance in total expenditure arose from savings in both staffing and non-staffing expenditure.

The finances of the Association are managed by the Association Council in accordance with Part 8 of the Rules of the CPSU (PSU Group). The finances of the CPSU (PSU Group), other than the CSIRO Section, are governed by the CPSU Executive Committee on behalf of the CPSU Governing Council and CPSU members. The CSIRO Section works with the CPSU (PSU Group) to ensure coordinated financial accountability. More information on CPSU (PSU Group) finance and governance can be found at <http://www.cpsu.org.au/about-cpsu/governance>

#### **Right of members to resign**

In accordance with Rule 5.3 of the CPSU (PSU Group), members have the right to resign at any time by providing a written notice of resignation to the Association Secretary. At least two weeks' notice is required except where the member ceases to be eligible to be a member of the Association. The full rules of the CPSU are available at <https://www.fwc.gov.au/registered-organisations/find-registered-organisations/cpsu-the-community-and-public-sector-union>

#### **Officers or members who are superannuation fund trustee(s) (include position details) or director of a company that is a superannuation fund trustee**

The CSIRO Staff Association has one officer/member who is known to be:

- i) a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- ii) a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.

Angela Yuan, Membership and Finance Officer, Director of AMMJ Holdings Pty. Ltd., the corporate trustee for Wang Yuan Superannuation Fund, a self-managed superannuation fund. The Directorship is not a result of, and has no relationship to, Angela Yuan's position at the CSIRO Staff Association.

#### **Number of members**

There were 2196 members of the Association as at 30 June 2017.

#### **Number of employees**

There were 11 employees (9.9 FTE) of the Association as at 30 June 2017. This includes the Association Secretary position (1.0 FTE), the only salaried position on the Association Council.

#### **Names of Committee of Management members and period positions held during the financial year**

The Committee of Management is the Association Council. The Council is an elected body with an Executive and Councillors representing the Sub-Sections. It has responsibility for governance of the Association within the CPSU. The Association has two representatives on the CPSU Governing Council, the Association President and the Association Secretary. The Council also develops Association policy at a national level, contributes to CPSU policy, determines national campaigns and activities and represents issues affecting the membership across all parts of the Association. The Executive, comprising the Section President, two Section Deputy Presidents, Section Treasurer and Section Secretary oversee the operations of the Association.

The elected Council Officers for 2016-17 were:

**Executive**

Section President	Michael Borgas (until 14 January 2017) Sonia Grocke (from 9 February 2017)
Section Deputy Presidents (2)	Elizabeth Hulm Sonia Grocke (until 9 February 2017) Melissa Skidmore (from 9 February 2017)
Section Treasurer	Scott Wilkinson
Section Secretary	Sam Popovski
<b>Sub-Section Councillors</b>	
ACT Councillor	Janet Anstee
NSW Councillor	Yalchin Oytam (until 17 October 2016) Mike Collins (from 9 February 2017)
Northern Australia Councillor	Delia Muller
SA Councillor	Ben Scherer
Southern QLD Councillor	Anna Campbell
TAS Councillor	Mark Green
VIC Councillor	Melissa Skidmore (until 9 February 2017)
WA Councillor	Patrick Merrigan (until 14 January 2017) Steve Charles (from 9 February 2017)

This report has been prepared in accordance with the requirements of the Fair Work Registered Organisations Act.

Signature of designated officer: 

Name and title of designated officer: Mr Sam Popovski, Association Secretary.

Date: 30 October 2017.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CSIRO STAFF ASSOCIATION

### Opinion

We have audited the financial report of the CSIRO Staff Association ('the Reporting Unit') which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the Committee of Management's statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the CSIRO Staff Association as at 30 June 2017, and its financial performance and its cash flows for the year ended on that date in accordance with:

- (a) the Australian Accounting Standards, and
- (b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act).

We declare that management's use of the going concern basis in the preparation of the Financial Statements of the Reporting Unit is appropriate.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Reporting Unit in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Information Other than the Financial Report and Auditor's Report Thereon

The Board is responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF THE CSIRO STAFF ASSOCIATION  
(CONTINUED)**

**Responsibilities of Board for the Financial Report**

The Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Committee of Management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee of Management is responsible for assessing the Reporting Unit's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee of Management either intend to liquidate the Reporting Unit or to cease operations, or have no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Financial Report**

Our objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Reporting Unit's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Reporting Unit audit. We remain solely responsible for our audit opinion.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF THE CSIRO STAFF ASSOCIATION  
(CONTINUED)**

We communicate with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit

The auditor declares that he is an approved auditor who is a member of Chartered Accountants Australia & New Zealand and holds a current Public Practice Certificate.



**McLean Delmo Bentleys Audit Pty Ltd**



**Adam Roberts**  
**Partner**  
Registration number AA2017/51

**Hawthorn**  
31 October 2017

**CSIRO STAFF ASSOCIATION**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	Note	2017 \$	2016 \$
Revenue	5	1,260,541	1,448,675
Expenses	6	(1,515,757)	(1,519,504)
Impairment of Investments	1(d), 6, 10(a)	<u>-</u>	<u>-</u>
Profit/(loss) before income tax		(255,216)	(70,829)
Income tax expense	1(a)	<u>-</u>	<u>-</u>
Profit/(loss) for the year		(255,216)	(70,829)
<b>Other comprehensive income:</b>			
Net gain/(loss) on revaluation of financial assets		<u>85,376</u>	<u>33,741</u>
Other comprehensive income for the year, net of tax		<u>85,376</u>	<u>33,741</u>
<b>Total comprehensive income for the year</b>		<u><u>(169,840)</u></u>	<u><u>(37,088)</u></u>

The accompanying notes form part of this financial report.



**CSIRO STAFF ASSOCIATION**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2017**

	Note	2017 \$	2016 \$
<b>EQUITY</b>			
Accumulated Funds		1,035,893	1,291,109
Reserves		<u>139,738</u>	<u>54,362</u>
<b>TOTAL EQUITY</b>		<u><u>1,175,631</u></u>	<u><u>1,345,471</u></u>
Represented by:			
<b>CURRENT ASSETS</b>			
Cash & Cash Equivalents	8	562,101	757,163
Receivables	9	11,183	17,492
Financial Assets	10	948,815	813,799
Other	11	<u>1,296</u>	<u>-</u>
<b>TOTAL CURRENT ASSETS</b>		<u><u>1,523,395</u></u>	<u><u>1,588,454</u></u>
<b>NON-CURRENT ASSETS</b>			
Plant & Equipment	12	<u>1,948</u>	<u>2,264</u>
<b>TOTAL ASSETS</b>		<u><u>1,525,343</u></u>	<u><u>1,590,718</u></u>
<b>CURRENT LIABILITIES</b>			
Payables	13	223,118	125,996
Other Liabilities	14	-	-
Provisions	15	<u>126,594</u>	<u>119,251</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u><u>349,712</u></u>	<u><u>245,247</u></u>
<b>TOTAL LIABILITIES</b>		<u><u>349,712</u></u>	<u><u>245,247</u></u>
<b>NET ASSETS</b>		<u><u>1,175,631</u></u>	<u><u>1,345,471</u></u>

The accompanying notes form part of this financial report.

## CSIRO STAFF ASSOCIATION

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2017

	Accumulated Funds	Available-for-Sale Financial Instruments Reserve	Total
	\$	\$	\$
<b>Balance at 30 June 2015</b>	1,361,938	20,621	1,382,559
Profit / (Loss) for the year	(70,829)	-	(70,829)
Total other comprehensive income for the year	-	33,741	33,741
<b>Balance at 30 June 2016</b>	1,291,109	54,362	1,345,471
Profit / (Loss) for the year	(255,216)	-	(255,216)
Total other comprehensive income for the year	-	85,376	85,376
<b>Balance at 30 June 2017</b>	<b>1,035,893</b>	<b>139,738</b>	<b>1,175,631</b>

The accompanying notes form part of this financial report.

## CSIRO STAFF ASSOCIATION

### STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
<b>INCOME</b>			
Membership Subscriptions		1,192,558	1,343,971
Interest Received		17,893	29,421
Sundry Income		450	3,292
Investment Income		49,640	71,991
		<u>1,260,541</u>	<u>1,448,675</u>
<b>EXPENDITURE</b>			
<b>Salaries and Related Expenditure</b>			
Elected Officials		114,113	114,770
Industrial & Administrative Staff		702,910	715,625
Total Salaries		817,023	830,395
Payroll Tax		49,631	50,108
Workers Compensation Insurance		9,200	9,429
Superannuation		155,927	152,963
Staff Amenities & Training		12,748	1,557
Career Transition Expense		-	463
Annual Leave Provided		6,539	(699)
Long Service Leave Provided & Paid		22,624	2,588
Total Salaries & Related Expenditure		1,073,692	1,046,804
<b>Administrative &amp; Equipment Overheads</b>			
Accounting & Audit Fees		12,200	11,900
Bank Charges		616	581
Depreciation		1,405	1,086
Electricity		5,379	5,379
Furniture & Computer Equipment (less than \$1,000)		4,388	2,769
Impairment of Investments		-	-
Loss on Disposal of Equipment		-	-
Management Fee - CPSU - PSU Group		83,479	94,078
Postage & Freight		205	1,548
Printing & Stationary		20,696	20,820
Rent & Outgoings		134,197	134,411
Sundry Expenses		10,694	10,336
Telephone		18,893	21,143
Website Service Agreement		1,380	2,439
Total Administrative & Equipment Overheads		293,532	306,490

The accompanying notes form part of this financial report.

## CSIRO STAFF ASSOCIATION

### STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
<b>EXPENDITURE <i>continued</i></b>			
<b>Industrial Expenditure</b>			
Affiliation Fees	1(h)	44,546	29,662
Carbon Offset		-	-
Cabcharge		686	780
Council & Executive Meeting Expenses		37,213	31,932
CSIRO Consultative Council		-	833
Donations		1,000	-
Enterprise Bargaining Agreement		13,247	6,073
Science & Technology Australia Board Meetings		814	1,230
Legal Fees		5,168	6,380
Levies		-	5,088
National Campaigns, Events & Meetings		915	3,952
Promotions & Merchandising		-	14,030
CPSU Matters		977	722
Research Policy Committee		7,472	14,638
Science Meets Parliament		5,953	8,457
Scholarship Awards		3,000	3,500
Site Visits		25,388	36,039
Sub-Section Activities		736	709
Training & Conferences		-	-
Travelling Expenses		1,418	2,185
Total Industrial Expenditure		<u>148,533</u>	<u>166,210</u>
Total Expenditure		<u>1,515,757</u>	<u>1,519,504</u>
<b>NET PROFIT/(LOSS)</b>		<u>(255,216)</u>	<u>(70,829)</u>

The accompanying notes form part of this financial report.

**CSIRO STAFF ASSOCIATION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	Note	2017 \$	2016 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Membership Subscriptions		1,312,764	1,419,544
Receipts from Other Reporting Units	17 (d)	5,256	5,317
Interest Received		18,459	45,026
Other Income Received		450	1,937
Payments to Suppliers & Employees		(138,797)	(146,948)
Payments to Other Reporting Units	17 (d)	<u>(1,392,105)</u>	<u>(1,675,249)</u>
Net Cash Provided by Operating Activities	17 (b)	<u>(193,973)</u>	<u>(350,373)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment for Office Furniture and Equipment		(1,089)	(1,454)
Redemption of Investments		-	-
Payment for Investments		<u>-</u>	<u>-</u>
Net Cash Provided by/(Used in) Investing Activities		<u>(1,089)</u>	<u>(1,454)</u>
Net Increase/(Decrease) in cash held		(195,062)	(351,827)
Cash & Cash Equivalents at Beginning of Year		<u>757,163</u>	<u>1,108,990</u>
Cash & Cash Equivalents at End of Year	17 (a)	<u><u>562,101</u></u>	<u><u>757,163</u></u>

The accompanying notes form part of this financial report.

## CSIRO STAFF ASSOCIATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

#### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Board (AASB) that apply for the reporting period, and the Fair Work (Registered Organisations) Act 2009. For the purpose of preparing the general purpose financial statements the CSIRO Staff Association is a not-for-profit entity.

The following is a summary of the significant accounting policies adopted by the entity in the preparation of the financial report.

#### **Basis of Preparation**

##### *Reporting Basis and Conventions*

The financial report, except for the cash flow information, has been prepared on an accruals basis using historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

#### **Accounting Policies**

##### **(a) Taxation**

The Association is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however, still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

##### **(b) Plant & Equipment**

Each class of plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

#### **Plant and Equipment**

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

#### **Depreciation**

The depreciable amount of all fixed assets including property, but excluding artworks, are depreciated on a straight line or diminishing value basis over their useful lives to the entity commencing from the time the asset is held ready for use.



**CSIRO STAFF ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES *continued***

**(b) Plant & Equipment *continued***

The depreciation rates used for each class of depreciable assets are:

Furniture & Equipment	20% - 40%
-----------------------	-----------

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

**(c) Financial Assets**

Investments classified as available for sale are measured at fair value. Gains or losses on these investments are recognised directly to equity in a net unrealised gain reserve until the investment is sold or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity for that asset is included in profit and loss.

In respect to available for sale equity securities, impairment losses previously recognised in profit and loss are not reversed through profit and loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated in the Available for Sale Gain/(Loss) Reserve.

**(d) Impairment of Assets**

At each reporting date, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the profit and loss.

**(e) Employee Benefits**

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and they are capable of being measured reliably.

The provision for long service leave represents only employee on-costs related to benefits, with the liability for employee benefits being met by the CPSU - PSU Group.

Employees are entitled to long service leave from 1 July 2002 at the rate of 7.2 days per year of service, pro-rata after 5 years service with the Section. Previously up to 30 June 2002, the entitlement was 10.8705 days per year of service, pro-rata after 3 years service with the Section. The movement in the provision for long service leave during the year is paid to the CPSU - PSU Group and is expensed in these accounts.

## CSIRO STAFF ASSOCIATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

#### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES *continued*

##### (e) Employee Benefits *continued*

###### **Measurement of short-term and long-term employee benefits**

Short-term employee benefits are those benefits that are expected to be settled wholly within 12 months, and are measured at their nominal values using the remuneration rate expected to apply at the time of settlement. They include wages and salaries, annual leave and long service leave that are expected to be settled wholly within 12 months.

Long-term employee benefits are those benefits that are not expected to be settled wholly within 12 months, and are measured at the present value of the estimated future cash outflows to be made by the entity in respect to services provided by employees up to the reporting date. They include annual leave and long service leave not expected to be wholly settled within 12 months.

The present value of long-term employee benefits is calculated in accordance with AASB 119: Employee Benefits. Long-term employee benefits are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using interest rates on national Government guaranteed securities with terms to maturity that match, as closely as possible, the estimate future cash outflows.

###### **Classification of employee benefits as current and non-current liabilities**

Employee benefit provisions are reported as current liabilities where the entity does not have an unconditional right to defer settlement for at least 12 months. Employee benefit provisions that are reported as non-current liabilities include long term benefits that do not qualify for recognition as a current liability, and are measured at present value.

###### **Superannuation**

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

##### (f) Leases

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

##### (g) Revenue

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Interest revenue is recognised on an accruals basis.

Revenue arising from the disposal of non-current assets is recognised when the organisation and the buyer are both committed to a contract.

## CSIRO STAFF ASSOCIATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

#### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES *continued*

**(h) Affiliation fees and levies**

Affiliation fees and levies are recognised on an accruals basis and recorded as an expense in the year to which it relates.

**(i) Comparative Figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

**(j) Fair Value Measurement**

The entity measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 21.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the entity. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The entity uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the entity determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the entity has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

## CSIRO STAFF ASSOCIATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

#### (k) New Accounting Standards

##### *Adoption of New Australian Accounting Standard requirements*

No accounting standard has been adopted earlier than the application date stated in the standard.

The expected impact of these Accounting Standards issued but not yet operative at 30 June 2017 are assessed as having no material impact on this financial report.

The accounting policies adopted are consistent with those of the previous financial year except for the following standards and amendments, which have been adopted for the first time this financial year:

- *AASB 2014-4 Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation* clarify the principle in AASB 116 *Property, Plant and Equipment* and AASB 138 *Intangible Assets* that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through use of the asset. As a result, the ratio of revenue generated to total revenue expected to be generated cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortise intangible assets.

The adoption of this amendment did not have an impact on the Association.

- *AASB 2015-1 Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle* clarify certain requirements in:
  - AASB 5 *Non-current Assets Held for Sale and Discontinued Operations* – Changes in methods of disposal
  - AASB 7 *Financial Instruments: Disclosures* – servicing contracts; applicability of the amendments to AASB 7 to condensed interim financial statements
  - AASB 119 *Employee Benefits* – regional market issue regarding discount rate
  - AASB 134 *Interim Financial Reporting* – disclosure of information ‘elsewhere in the interim financial report’

The adoption of this amendment did not have an impact on the Association.

- *AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101* amends AASB 101 *Presentation of Financial Statements* to clarify existing presentation and disclosure requirements and to ensure entities are able to use judgement when applying the Standard in determining what information to disclose, where and in what order information is presented in their financial statements. For example the amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures.

The adoption of this amendment did not have an impact on the Association.

## CSIRO STAFF ASSOCIATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

#### (k) New Accounting Standards

##### *Adoption of New Australian Accounting Standard requirements (continued)*

Certain new accounting standards and interpretation have been published that are not mandatory for 30 June 2017 reporting period. As at 30 June 2017, the following standards and interpretations had been issued but were not mandatory for financial years ending 30 June 2017. The Association has not and does not intend to adopt these standards early.

Standard / Interpretation	Summary	Applicable for annual reporting periods beginning or ending on	Impact on Entities Annual Statements
<i>AASB 9 Financial instruments</i>	This standard simplifies requirements for the classification and measurement of financial assets resulting from Phase 1 of the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement (AASB 139 Financial Instruments: Recognition and Measurement).	Beginning 1 January 2018	The nature of the Association's financial assets and liabilities are such that the change is unlikely to result in a material change.
<i>AASB 15 Revenue from Contracts with Customers</i>	The core principle of AASB 15 requires an entity to recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer.	Beginning 1 January 2018	The changes in revenue recognition requirements in AASB 15 may result in changes to the timing and amount of revenue recorded in the financial statements. However, the nature of the Association's revenue are such that the change is unlikely to result in a material change.
<i>AASB 16 Leases</i>	The key changes introduced by AASB 16 include the recognition of most operating leases (which are current not recognised) on balance sheet.	1 Jan 2019	The assessment has indicated that as most operating leases will come on balance sheet, recognition of the right-of-use assets and lease liabilities will cause net debt to increase.  Rather than expensing the lease payments, depreciation of right-of-use assets and interest on lease liabilities will be recognised in the income statement with marginal impact on the operating surplus.
<i>AASB 1058 Income of Not-for-Profit Entities</i>	This standard replaces AASB 1004 Contributions and establishes revenue recognition principles for transactions where the consideration to acquire an asset is significantly less than fair value to enable to not-for-profit entity to further its objectives.	1 Jan 2019	The assessment has indicated that revenue from capital grants that are provided under an enforceable agreement that have sufficiently specific obligations, will now be deferred and recognised as performance obligations are satisfied. As a result, the timing recognition of revenue will change.

## CSIRO STAFF ASSOCIATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

#### NOTE 2: SECTION 272 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of section 272 which reads as follows:

Information to be provided to members or Commissioner:

- (1) A member of a reporting unit, or the Commissioner, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1)

#### NOTE 3: RELATED PARTY INFORMATION

- (a) The names of persons who formed part of the Section Council at any time during the year were:-

##### Executive

Section President	Michael Borgas (until 14 January 2017) Sonia Grocke (from 9 February 2017)
Section Deputy Presidents (2)	Elizabeth Hulm Sonia Grocke (until 9 February 2017) Melissa Skidmore (from 9 February 2017)
Section Treasurer	Scott Wilkinson
Section Secretary	Sam Popovski

##### Sub-Section Councillors

ACT Councillor	Janet Anstee
NSW Councillor	Yalchin Oytam (until 17 October 2016) Mike Collins (from 9 February 2017)
Northern Australia Councillor	Delia Muller
SA Councillor	Ben Scherer
Southern QLD Councillor	Anna Campbell
TAS Councillor	Mark Green
VIC Councillor	Melissa Skidmore (until 9 February 2017)
WA Councillor	Patrick Merrigan (until 14 January 2017) Steve Charles (from 9 February 2017)

- (b) Key Management Personnel

Key Management Personnel includes only the members of the Committee of Management named above.

- (c) Key Management Personnel Compensation

	Total	Short-term Employee Benefits	Post- Employment Benefits	Other Long-term Benefits	Termination Benefits	Share Based Payment
	\$	\$	\$	\$	\$	\$
<b>2017</b>						
Total Compensation	135,918	114,113	17,540	4,265		
<b>2016</b>						
Total Compensation	136,070	114,770	17,540	3,760	-	-



## CSIRO STAFF ASSOCIATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

- (d) Transactions between the Council and the Section were conducted on normal commercial terms in respect of membership fees and reimbursements.

#### NOTE 4: EMPLOYEE BENEFITS

<b>Year Ended 30 June 2017:</b>	<b>Elected Officials \$</b>	<b>Administrative &amp; Industrial Staff \$</b>	<b>Total \$</b>
Employee benefits paid to employees during the year:			
Wages & Salaries	111,046	635,658	746,704
Annual Leave and Sick Leave	3,067	67,252	70,319
Long Service Leave (Refer Note 1(e))	-	-	-
Separation and Redundancies	-	-	-
Other Employee Expenses	-	-	-
Superannuation	17,540	138,387	155,927
Employee benefits paid or payable to the CPSU - PSU Group in respect to employees during the year (Refer Note 1(e)):			
Long Service Leave	3,233	18,587	21,820
<b>Year Ended 30 June 2016:</b>	<b>Elected Officials \$</b>	<b>Administrative &amp; Industrial Staff \$</b>	<b>Total \$</b>
Employee benefits paid to employees during the year:			
Wages & Salaries	105,133	664,374	769,507
Annual Leave and Sick Leave	9,637	71,251	80,888
Long Service Leave (Refer Note 1(e))	-	-	-
Separation and Redundancies	-	-	-
Other Employee Expenses	-	-	-
Superannuation	17,540	135,423	152,963
Employee benefits paid or payable to the CPSU - PSU Group in respect to employees during the year (Refer Note 1(e)):			
Long Service Leave	3,074	190	3,264

## CSIRO STAFF ASSOCIATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
<b>NOTE 5: REVENUE</b>		
Operating activities: -		
- Subscriptions Received	1,192,558	1,343,971
- Capitation Fees Received	-	-
- Levies Received	-	-
- Grants or Donations Received	-	-
- Financial Support Received	-	-
- Interest (other persons/corporations)	17,893	29,421
- Investment Income	49,640	71,991
- Other Revenue	450	3,292
	<u>1,260,541</u>	<u>1,448,675</u>
Total Revenue		
<b>NOTE 6: EXPENSES</b>		
Depreciation of office furniture and equipment	1,405	1,086
Impairment of Investments	-	-
Loss on Disposal of Equipment	-	-
Amounts set aside to Provisions:		
Long Service Leave	804	(676)
Annual Leave	6,539	(699)
Management Fee - CPSU - PSU Group	83,479	94,078
Affiliation Fees:		
Science & Technology Australia	4,660	4,600
The Union Shopper	5,650	1,098
ACTU	14,414	8,344
State Labour Councils	17,322	15,620
Other	2,500	-
Total Affiliation Fees	<u>44,546</u>	<u>29,662</u>

**CSIRO STAFF ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	2017	2016
	\$	\$
<b>NOTE 6: EXPENSES continued</b>		
Donations and Grants:		
Donations	1,000	-
Grants - Scholarship Awards	3,000	2,000
Grants - Scholarship Awards > \$1,000	-	1,500
Total Donations and Grants	4,000	3,500

There were no donations paid which exceeded \$1,000 during the year ended 30 June 2017 or 2016.

Consideration paid to employers for payroll deductions	-	-
Compulsory levies		
ACTU Campaign Industrial Levies	-	5,088
Fees/allowances - meetings and conferences	977	722
Conference and meeting expenses	44,685	46,570
Legal fees and other expenses related to:		
Litigation	-	-
Other legal matters	5,167	6,380
Penalties - via RO Act or RO Regulations	-	-
Capitation Fees	-	-

**NOTE 7: AUDITING EXPENSES**

Amounts receivable or due and receivable by the auditors in respect of:

Auditing the financial report	8,400	8,150
Other services	3,800	3,750
	12,200	11,900

Other services provided by the Auditor are in the nature of other audit procedures, taxation advice and assistance with accounting disclosure.

The auditors do not receive any other benefit from the Association.

**CSIRO STAFF ASSOCIATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**

	2017 \$	2016 \$
<b>NOTE 8: CASH &amp; CASH EQUIVALENTS</b>		
Cash on Hand	532	790
Cash Held at Call:		
Cash with Members and Education Credit Union	14,489	134,017
Cash with Laboratories Credit Union	7,080	39,910
Cash on Deposit:		
Deposits with Members and Education Credit Union	300,000	300,000
Deposits with Laboratories Credit Union	40,000	82,445
Deposits with ME Bank	200,000	200,000
	<u>562,101</u>	<u>757,163</u>
<b>NOTE 9: RECEIVABLES</b>		
Receivables from other reporting units:		
Receivables from CPSU - PSU Group	2,036	2,175
Less provision for doubtful debts	-	-
Receivables from other reporting units (net)	<u>2,036</u>	<u>2,175</u>
Other Receivables:		
Sundry Debtors	1,753	7,357
Accrued Interest	7,394	7,960
Total Other Receivables	<u>9,147</u>	<u>15,317</u>
	<u>11,183</u>	<u>17,492</u>
<b>NOTE 10: FINANCIAL ASSETS</b>		
Available for Sale Financial Assets:		
Shares in Laboratories Credit Union	10	10
Managed Funds Investments	948,805	813,789
	<u>948,815</u>	<u>813,799</u>
<b>NOTE 11: OTHER ASSETS</b>		
Prepayments	<u>1,296</u>	-
	<u>1,296</u>	-

**CSIRO STAFF ASSOCIATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**

	2017	2016
	\$	\$
<b>NOTE 12: PLANT &amp; EQUIPMENT</b>		
Office Furniture & Equipment	10,630	16,135
Less: Accumulated Depreciation	<u>(8,682)</u>	<u>(13,871)</u>
	<u>1,948</u>	<u>2,264</u>

**(a) Movements in Carrying Amounts**

Movements in carrying amounts for each class of plant & equipment between the beginning and end of the current financial year:

Balance at the beginning of year	2,264	1,896
Additions	1,089	1,454
Disposals	-	-
Depreciation	<u>(1,405)</u>	<u>(1,086)</u>
Carrying amount at end of year	<u>1,948</u>	<u>2,264</u>

**NOTE 13: ACCOUNTS PAYABLE**

Payables to other reporting unit:		
CPSU - PSU Group	<u>212,972</u>	<u>112,320</u>
Total Payables to other reporting unit	<u>212,972</u>	<u>112,320</u>
Other Payables:		
Sundry Creditors	10,146	13,676
Consideration to employers for payroll deductions	-	-
Legal costs	<u>-</u>	<u>-</u>
Total Other Payables	<u>10,146</u>	<u>13,676</u>
	<u>223,118</u>	<u>125,996</u>

**NOTE 14: OTHER LIABILITIES**

**Current**

Subscriptions in Advance	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

## CSIRO STAFF ASSOCIATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
<b>NOTE 15: PROVISIONS</b>		
<b>Current</b>		
Employee Benefits - short term benefits at nominal value:		
Provision for Annual Leave	88,796	82,257
Provision for Long Service Leave Oncosts	37,798	36,994
Provision for Separation and Redundancies	-	-
Provision for Other Employee Benefits	-	-
	<u>126,594</u>	<u>119,251</u>
(a) Provision for Annual Leave in respect to:		
Elected Officials	21,720	14,694
Administrative and Industrial Staff	67,076	67,563
	<u>88,796</u>	<u>82,257</u>
(b) Provision for Long Service Leave Oncosts in respect to:		
Elected Officials	8,987	7,955
Administrative and Industrial Staff	28,811	29,039
	<u>37,798</u>	<u>36,994</u>
(c) Provision for Separation and Redundancies in respect to:		
Elected Officials	-	-
Administrative and Industrial Staff	-	-
	<u>-</u>	<u>-</u>
(d) Provision for Other Employee Benefits in respect to:		
Elected Officials	-	-
Administrative and Industrial Staff	-	-
	<u>-</u>	<u>-</u>

Refer to Note 1(e) for accounting policy in respect to these provisions for employee benefits.

#### NOTE 16: CAPITAL AND LEASING COMMITMENTS

##### Rental Commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements:

Payable:

- not later than one year	31,100	73,088
- later than one year but not later than five years	-	30,454
	<u>31,100</u>	<u>103,542</u>

The lease relates to the premises at Level 10, 440 Collins Street, Melbourne which commenced on 1 December 2007 for a term of 10 years.



**CSIRO STAFF ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

**2017**                      **2016**  
**\$**                                      **\$**

**NOTE 17: CASH FLOW INFORMATION**

**(a) Reconciliation of Cash & Cash Equivalents**

For the purposes of the Statement of Cash Flows, cash and cash equivalents includes cash on hand and cash held at call and on deposit with financial institutions.

Cash and cash equivalents at the end of the reporting period is reconciled to the related items in the balance sheet as follows:

Cash on Hand	532	790
Cash Held at Call with Credit Unions	21,569	173,928
Cash on Deposits with Credit Unions	<u>540,000</u>	<u>582,445</u>
	<u>562,101</u>	<u>757,163</u>

**(b) Reconciliation of Net Cash Provided by Operating Activities to Operating Profit**

Operating profit/(loss) for year	(255,216)	(70,829)
Non-cash flows in operating profit		
Depreciation & Amortisation	1,405	1,086
Loss on Disposal of Plant and Equipment	-	-
Investment Distributions	(49,640)	(71,991)
Impairment Loss/(Gain)	-	-
Changes in assets and liabilities		
(Increase)/Decrease in Receivables	6,309	9,809
(Increase)/Decrease in Other Assets	(1,296)	3,448
Increase/(Decrease) in Accounts Payable	97,122	(175,598)
Increase/(Decrease) in Other Liabilities	-	(44,923)
Increase/(Decrease) in Employee Provisions	<u>7,343</u>	<u>(1,375)</u>
Net Cash Provided by/(Used in) Operating Activities	<u>(193,973)</u>	<u>(350,373)</u>

**(c) Financing Facilities**

The Section has no overdraft facilities.

**(d) Receipts and Payments to Other Reporting Units/Controlled Entity**

Receipts from CPSU - PSU Group	5,256	5,317
Payments to CPSU - PSU Group	(1,392,105)	(1,675,249)

## CSIRO STAFF ASSOCIATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

#### NOTE 18: GOING CONCERN

The financial statements are prepared on the basis that the Association will continue as a going concern and that assets including property plant and equipment and liabilities would be realised in the normal course of business at their recorded values as at 30 June 2017.

The Association's ability to continue as a going concern is not reliant on the financial support of any other entity.

The Association has not agreed to provide any other entity with financial support to ensure they can continue on a going concern basis.

#### NOTE 19: BUSINESS COMBINATIONS

No assets or liabilities were acquired during the year as part of a business combination.

The Association did not acquire any assets or liabilities during the financial year as a result of:

- (a) an amalgamation under Part 2 of Chapter 3, of the RO Act in which the organisation (of which the reporting unit form part) was the amalgamated organisation; or
- (b) a restructure of the branches of the organisation; or
- (c) a determination by the General Manager under subsection 245(1) of the RO Act of an alternative reporting structure for the organisation; or
- (d) a revocation by the General Manager under subsection 249(1) of the RO Act of a certificate issued to an organisation under subsection 245(1).

#### NOTE 20: SPECIAL FUNDS

There has been no fund or account operated and no monies invested in any assets in respect of compulsory levies raised by the reporting unit or voluntary contributions collected from members of the reporting unit.

There has been no fund or account operated (other than the general fund), the operation of which is required by the rules of the organisation. There have been no transfers to or withdrawals to a fund, account or controlled entity, where any of these are kept for a specific purpose(s) by the reporting unit.

## CSIRO STAFF ASSOCIATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

#### NOTE 21: FINANCIAL INSTRUMENTS

**(a) Terms, conditions and accounting policies**

The Section's terms, conditions and accounting policies of financial instruments are those adopted by businesses in Australia generally.

**(b) Interest rate risk**

The Section's exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised are as follows:

Economic Entity	Total Carrying Value		Weighted Average Interest Rates		Non Interest Bearing		Floating Interest Rate		Fixed Interest Rate	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	\$	\$	%	%	\$	\$	\$	\$	\$	\$
<b>Financial Assets</b>										
Cash and Bank Deposits	562,101	757,163	2.70	2.65	532	790	21,569	173,928	540,000	582,445
Managed Funds	948,815	813,789	-	-	948,815	813,789	-	-	-	-
Receivables	11,183	17,492	-	-	11,183	17,492	-	-	-	-
<b>Total Financial Assets</b>	<b>1,522,099</b>	<b>1,588,444</b>			<b>960,530</b>	<b>832,071</b>	<b>21,569</b>	<b>173,928</b>	<b>540,000</b>	<b>582,445</b>
<b>Financial Liabilities</b>										
Accounts Payable	216,136	120,043	-	-	216,136	120,043	-	-	-	-
<b>Total Financial Liabilities</b>	<b>216,136</b>	<b>120,043</b>			<b>216,136</b>	<b>120,043</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**(c) Market Risk**

The Section's sensitivity to market risk is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates, changes in price indexes such as the Australian Stock Exchange or changes in returns on managed fund investments. The Section manages this risk through diversity in the investment portfolio and by obtaining professional investment advice. Taking into account past performance, future expectations, economic forecasts and experience of the financial markets, the possible impact on net operating result and equity over the next 12 months is as follows:

**CSIRO STAFF ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

**NOTE 21: FINANCIAL INSTRUMENTS** *continued*

(c) **Market Risk** *continued*

2017	Total Carrying Value	Interest Rate Risk				Price Risk				Return Risk			
		-1% Profit	-1% Equity	+1% Profit	+1% Equity	-20% Profit	-20% Equity	+20% Profit	+20% Equity	-2% Profit	-2% Equity	+2% Profit	+2% Equity
<b>Financial Assets</b>													
Cash and Bank Deposits	562,101	(5,621)	(5,621)	5,621	5,621	-	-	-	-	-	-	-	-
Managed Funds	948,815	-	-	-	-	(189,763)	(189,763)	-	189,763	(18,976)	(18,976)	18,976	18,976
Receivables	11,183	-	-	-	-	-	-	-	-	-	-	-	-
<b>Financial Liabilities</b>													
Accounts Payable	216,136	-	-	-	-	-	-	-	-	-	-	-	-

2016	Total Carrying Value	Interest Rate Risk				Price Risk				Return Risk			
		-1% Profit	-1% Equity	+1% Profit	+1% Equity	-20% Profit	-20% Equity	+20% Profit	+20% Equity	-2% Profit	-2% Equity	+2% Profit	+2% Equity
<b>Financial Assets</b>													
Cash and Bank Deposits	757,163	(7,572)	(7,572)	7,572	7,572	-	-	-	-	-	-	-	-
Managed Funds	813,789	-	-	-	-	(162,758)	(162,758)	-	162,758	(16,276)	(16,276)	16,276	16,276
Receivables	17,492	-	-	-	-	-	-	-	-	-	-	-	-
<b>Financial Liabilities</b>													
Accounts Payable	120,043	-	-	-	-	-	-	-	-	-	-	-	-

**CSIRO STAFF ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

**NOTE 21: FINANCIAL INSTRUMENTS** *continued*

**(d) Credit Risk**

The Section has no significant exposure to credit risk. The carrying amounts of financial assets included in the statement of financial position represent the entity's maximum exposure to credit risk in relation to these assets.

**Credit quality of financial instruments not past due or individually determined as impaired**

	Not past due nor impaired	Past due but not impaired	Not past due nor impaired	Past due but not impaired
	2017 \$	2017 \$	2016 \$	2016 \$
Financial Assets				
Receivables	9,430	1,753	12,560	4,932

**Ageing of financial assets that were not impaired**

	<30 days \$	31 – 60 days \$	61 – 90 days \$	> 90 days \$	Total \$
<b>2017</b>					
Receivables	9,430	-	-	1,753	11,183
<b>2016</b>					
Receivables	12,560	-	-	4,932	17,492

**(e) Net Fair values**

The net fair values of the Section's financial assets and financial liabilities are not expected to be significantly different from each class of asset and liability as disclosed above and recognised in the balance sheet as at 30 June 2017.

**(f) Liquidity Risk**

The Section manages liquidity risk by monitoring forecast cash flows and ensuring that adequate cash funds are maintained.

## CSIRO STAFF ASSOCIATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

#### NOTE 21: FAIR VALUE MEASUREMENT

The following table contains the carrying amounts and related fair values for the entity financial assets and liabilities:

Economic Entity	Total Carrying Value		Fair Value	
	2017	2016	2017	2016
	\$	\$	%	%
<b>Financial Assets</b>				
Cash and Bank Deposits	562,101	757,162	562,101	757,162
Managed Funds	948,815	813,789	948,815	813,789
Receivables	11,183	17,492	11,183	17,492
<b>Total Financial Assets</b>	<b>1,522,099</b>	<b>1,588,443</b>	<b>1,522,099</b>	<b>1,588,443</b>
<b>Financial Liabilities</b>				
Accounts Payable	216,136	120,043	216,136	120,043
<b>Total Financial Liabilities</b>	<b>216,136</b>	<b>120,043</b>	<b>216,136</b>	<b>120,043</b>

The following table provides an analysis of financial and non financial assets and liabilities that are measured at fair value, by fair value hierarchy.

	Carrying amount at 30 June	Date of valuation	Level 1	Level 2	Level 3
	\$		\$	\$	\$
<b>2017</b>					
<b>Financial Assets</b>					
Managed Funds Investments	948,815	30/06/2017	948,815	-	-
<b>2016</b>					
<b>Financial Assets</b>					
Managed Funds Investments	813,789	30/06/2016	813,789	-	-

## **CSIRO STAFF ASSOCIATION**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017**

#### **NOTE 22: TRANSACTIONS WITH OTHER REPORTING UNITS**

##### **Terms and conditions of transactions with other reporting units**

The CSIRO Staff Association is a section of the Community and Public Sector Union (CPSU).

Amounts were paid for and recovered from the CPSU - PSU Group on receipt of invoices during the year.

The CPSU - PSU Group processes and administers the payroll function for the CSIRO Staff Association. The CSIRO Staff Association reimburses the CPSU - PSU Group for the Section's employees payroll cost, including superannuation, payroll tax and workcover, on a monthly basis. The CSIRO Staff Association also pays the Section's share of costs and other reimbursements to the CPSU - PSU Group including the Melbourne office rent, interstate office rents, insurance, telephone, photocopier charges, travel expenses, affiliation fees and movement in LSL provision (refer Note 1(e)).

The CSIRO Staff Association pays management fees to the CPSU - PSU Group, calculated at 7% of Membership Subscription revenue.

The CSIRO Staff Association is registered for GST on a consolidated basis with the CPSU - PSU Group. The net GST on the Section's income and expenses is paid at the end of each quarter to the CPSU - PSU Group.

Sales to and purchases from other reporting units are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any other reporting units receivables or payables. For the year ended 30 June 2017, the Section has not recorded any impairment of receivables relating to amounts owed by other reporting units (2016: \$Nil). This assessment is undertaken each financial year through examining the financial position of the other reporting units and the market in which the other reporting units operates.

#### **NOTE 23: SUBSEQUENT EVENTS**

There have been no events subsequent to balance date, which require disclosure in the financial statements