



13 December 2014

Mr Sam Popovski
Secretary

CPSU, the Community and Public Sector Union-PSU Group, CSIRO Section
email: sam.popovski@cpsu.org.au

cc: Mr R H Hutton, UHY Haines Norton Chartered Accountants, email: mail@melb.uhyhn.com.au

Dear Mr Popovski,

**CPSU, the Community and Public Sector Union-PSU Group, CSIRO Section
Financial Report for the year ended 30 June 2014 [FR2014/87]**

I acknowledge receipt of the financial report of the CPSU, the Community and Public Sector Union-PSU Group, CSIRO Section. The documents were lodged with the Fair Work Commission on 5 December 2014.

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

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that the financial report for the year ending 30 June 2015 may be subject to an advanced compliance review.

Reporting Requirements

A number of factsheets in relation to the financial reporting process and associated timelines are available on the FWC website. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

If you have any queries regarding this letter, please contact me on (03) 8661 7942 or via email at rebecca.lee@fwc.gov.au.

Yours sincerely,

Rebecca Lee
Regulatory Compliance Branch

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A section of the Community and Public Sector Union



Certificate of Secretary

Lodged in accordance with s268 of the Fair Work (Registered Organisations) Act 2009

I, SAM POPOVSKI, being SECTION SECRETARY of the CSIRO SECTION of the COMMUNITY AND PUBLIC SECTOR UNION (CPSU), 10TH FLOOR, 440 COLLINS STREET, MELBOURNE VIC 3000 (also known as the CSIRO Staff Association), certify that the Full Report, comprising the audited financial statements and operating report for the year ending 30 June 2014, was made available to all members of the Section on 7 November 2014.

The Full Report was made available on the CSIRO Staff Association website and all members were contacted by email to advise of the availability of the Full Report on the website.

The Committee of Management, the CSIRO Staff Association Council, voted to accept the Full Report, through formal motion, on 5 November 2014. A general meeting of members, held at the CSIRO Clayton site in Melbourne on 2 December 2014, accepted the Full Report.

Please find enclosed a copy of the Full Report of the CSIRO Section of the CPSU (CSIRO Staff Association) that was provided to members of the Section on 7 November 2014 and accepted by a general meeting of members on 2 December 2014.



Sam Popovski
Section Secretary

5 December 2014



**CSIRO Staff Association
Operating Report 2013-14**

OUR CAUSE

To protect and progress the interests of our members in CSIRO
and in society

We do this as the democratic voice for staff

We advocate for CSIRO and science

We provide the means to promote a community of staff in CSIRO so
that we can assist members to enforce their rights

Foreword from CSIRO Staff Association President

This past year was of historic significance for CSIRO, both with massive restructuring and huge job losses from government cuts. The Staff Association responded like in no other year.

We undertook constant consultations with management over multiple change processes. We undertook broad and highly visible protests nationwide against cuts to science. We drove a relentless media campaign to raise the profile of CSIRO and cuts to science and we lobbied government and political parties, including meeting with Minister Ian Macfarlane and over twenty other politicians face to face. We made a comprehensive submission to a Senate Inquiry on Innovation representing the issues of both CSIRO as well as other public sector science workers.

Against this backdrop has been the enterprise bargaining saga, as yet another attack on working conditions for science workers in Australia. The Government position on bargaining is, most alarmingly, a fundamental attack on independence and integrity in the public sector. As centralised wage fixing is pursued and enforced by the bureaucracy of the Australian Public Service Commission (APSC) and the Department of Finance, the tentacles of control reach to every facet of our organisation, whether it is recruitment freezes, approval of scientific 'open plan' accommodation, international travel, or simply the preservation of our hard won terms and conditions at work.

Government policy directs us to strip from our workplace agreements fundamental commitments to creativity and innovation, reductions in bureaucracy and improved management accountability. No right minded person or organisation wants these type of objectives diluted, not even the Business Council of Australia. In CSIRO these commitments led to the end of the matrix, a faddish management experiment that hampered effective organisation. The commitment to better science and innovation belongs to the staff of the organisation and not to its bureaucracy.

Despite the commission of audit calling for greater government control of CSIRO, most policy makers appropriately support an independent CSIRO. The current reality of inefficient intervention and hounding by the APSC and the Department of Finance is as farcical as any episode of *Yes, Minister*. In fact it probably mirrors an episode of *Yes, Minister*, 'The Writing on the Wall', March 1980.

Despite all the battles and setbacks, I again have to thank Secretary Sam Popovski and Lead Organiser Paul Girdler for great work and comradeship and with tireless day-to-day guidance and assistance for our members. The outstanding work of our dedicated organisers, communications, finance and administration, together with broader CPSU support, has allowed us to punch well above our weight for the past year.

The Staff Association Council also deserves thanks, often in the front-line of painful change this year and also providing essential leadership for our protest campaigns and other activities. We particularly note the long service of Warren Hicks, one of those great people who have now left the organisation.

Finally, thanks to our active delegates and members who have helped numerous colleagues this year in difficult and stressful times. We need to remember that we are the union collectively and only at our best when we all reach out and support and encourage each other. After a difficult year, with many dear colleagues and friends leaving the organisation, we all should reflect that the best of what we have in CSIRO are our work colleagues and our creative and constructive interactions with them.

After these difficult times we now face a future with new leadership of CSIRO and a new incoming Staff Association Council, and almost universal, but always hard won, support in the science and innovation sector for the 'in principle' role of the organisation. Together we need to translate this into a stronger, bigger and fairer CSIRO, with better science outcomes for Australia and better working conditions for staff.



Michael Borgas

About the Association in 2013-14

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 previously 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:
 - i) fair and equitable treatment at work;
 - ii) proper recognition and remuneration for merit;
 - iii) reasonable conditions and a balanced working life; and
 - iv) 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.
- Co-operate with other parts of the CPSU, other unions, the ACTU and other organisations to progress matters of common interest.

The Association's primary source of income is from member subscriptions, which for the year to 30 June 2014 were 0.55% of gross salary for full members; \$30 (1 year) or \$75 (3 years) for retired members and \$30 for student members (until their period as a student is completed).

Subscription income for 2013-14 was \$1,295,331, an increase of \$19,248 (or 1.5%) compared to the previous year. The Association also receives income from its cash deposits and managed fund investments. In 2013-14, the combination of interest and investment income contributed 5.9% of total income, or \$81,294, a decrease of \$6,215 (or 7.1%) compared to the previous year.

The largest component of the Association's expenditure was on salaries and related costs totalling \$1,005,816 (70.7% of total expenditure). Industrial expenditure totalled \$135,680, primarily due to expenditure on affiliation fees (ACTU and labour councils, Science and Technology Australia), Staff Association Council and Executive meetings and sites visits to CSIRO workplaces.

The Association's overall financial performance resulted in a net deficit this year of \$45,659 or -3.3% of total income.



Membership

Membership of the Association at 30 June 2014 was 2743 members of which 2715 were financial. This was an increase of 24 financial members (or 0.9%) compared to the previous year. This is an excellent result, given CSIRO staff headcount reduced by 513 over the same period.

Recruitment for the year was 306, compared to 167 the previous year (increase of 139). Cessations were 276, compared to 228 the previous year (increase of 48) and the number of cancellations decreased to 16 from 22 in the previous year. Retention of a low cancellation rate is a positive outcome for the Association. The number of unfinancial members increased to 28 compared to 25 the previous year.

Membership in the Australian Astronomical Observatory this year remains unchanged at 27 members. The Association does not recruit new members in the National Measurement Institute, but continues to represent 25 members retained from the former National Measurement Laboratory.

The Association also has 85 associate members at 30 June 2014, who are not included in the table below as they are not categorised as full financial members under CPSU rules.

Membership Year to 30 June 2014							
	Recruited	Cessations			Membership		
		Cancelled*	RRR#	Total	Unfinancial	Financial	Total
ACT	69	2	39	41	4	465	469
NthAus	5	0	7	7	1	53	54
NSW	78	2	46	48	5	476	481
SA	23	1	17	18	0	200	200
SthQLD	24	6	34	40	3	298	301
TAS	28	0	18	18	0	180	180
VIC	52	5	83	88	12	836	848
WA	27	0	16	16	3	207	210
TOTAL	306	16	260	276	28	2715	2743

* Left the Association but not their employment

Left their employment (redundant, retired, resigned)

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 <http://www.e-airc.gov.au/090v/rules>

Association Structure

The Committee of Management is the Association (or CSIRO Section) Council. The Council is an elected body with an Executive and Councillors representing the Sub-Sections. Council has responsibility for governance of the Association within the CPSU. It 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 Secretary, Section President, two Section Deputy Presidents and the Section Treasurer oversee the operations of the Association.

The elected Council Officers for 2013-14 were:

Executive

Section President

Michael Borgas

Section Deputy Presidents	Warren Hicks Elizabeth Hulm
Section Secretary	Sam Popovski
Section Treasurer	Scott Wilkinson

Councillors

ACT Councillor	Janet Anstee
NSW Councillor	Peter Saunders
Nth QLD and NT Councillor	Delia Muller
Sth QLD Councillor	Anna Campbell
SA Councillor	Sonia Grocke
TAS Councillor	Ann Thresher (resigned effective on 31/12/2013) Mark Green (appointed from 01/01/2014 to 30/06/2014)
VIC Councillor	Gary Cramer
WA Councillor	Steve Charles (resigned effective on 16/04/2014) Patrick Merrigan (appointed from 17/04/2014 to 30/06/2014)

The Association had two representatives on the CPSU Governing Council from 1 July 2013 to 30 June 2014: Section President Michael Borgas and Section Secretary Sam Popovski.

Councillors represent members in their respective Sub-Sections through elected workplace delegates and Sub-Section Delegates Committees (SDC). The committees are comprised of SDC Executives (SDC President, SDC Secretary and Councillor) and delegates from Sub-Section workplaces. SDC Executive positions, other than Councillor, are elected by members every two years. Vacancies can be filled by appointment by the Section Council or by a vote of a meeting of the relevant SDC.

Workplace delegate elections are held annually, with nominations called in June. In 2013-14, there were 96 workplace delegates and deputy delegates in the Association, compared to 101 the previous year (a decrease of 4.0%). This is a ratio of one delegate per 28 financial members in the workplace, compared to one delegate per 27 financial members the previous year.



Association Council Activities

In 2013-14, the Association Council met on ten occasions: two in face and eight by telephone. The Association Executive met on two occasions, one in face and one by telephone. Minutes of meetings record the motions and actions of the Council and Executive. In 2013-14, the Association Council implemented a number of key activities and campaigns, driven by input and participation by members and delegates:

- Protecting jobs and working conditions

The Association spent the majority of industrial and organising time during the year protecting the jobs and working conditions of our members and staff at CSIRO, AAO and NMI. In 2013-14, CSIRO's staffing headcount reduced by 513 or 8% of 6477 total staff at 1 July 2013. This resulted from an efficiency dividend applied by the Labor Federal Government and a recruitment freeze enacted by the newly elected Coalition Federal Government. Despite the deleterious consequences for staff, the Association ensured that redundancy and redeployment processes were appropriately applied; that genuine consultation was enforced; and that members were supported and represented in terms of their rights and working conditions.

- Protesting against Federal Budget funding cuts

The Association coordinated national protests at workplaces around the country against funding cuts to CSIRO and science in the 2013-14 Federal Budget. The cuts to CSIRO in the budget were projected to result in the loss of over 800 jobs in 2014-15. Over the 2013-14 and 2014-15 years, CSIRO staffing headcount will have been cut by 1300 jobs or 1 in 5 jobs in total. Over one thousand Association members participated in the coordinated national protests to send a strong message to Government and politicians to stop cutting CSIRO and science and instead support publicly funded research. The protest activities achieved national attention and enabled numerous meetings with politicians to subsequently occur, where the strong views of Association members were directly represented.

- Advocating for science

In 2013-14, the Association continued to advocate as broadly as possible on the benefits to Australia of science and research at CSIRO and other publicly funded research agencies. This included member participation in developing a submission into a Senate Inquiry into the Australian Innovation System. The Association surveyed members in detail and also derived feedback from science workers in the broader Federal public sector. The joint submission from the CPSU/CSIRO Staff Association will be a comprehensive platform for sustained advocacy for the Association in coming years.

- CSIRO Organisational Restructure

CSIRO Executive implemented a completely new organisational structure and operating arrangements, including axing the existing matrix management structure. Association members were a driving force in providing feedback over recent years on the problems of the matrix. As a consequence, the Association welcomed the prospect of new arrangements in CSIRO which could potentially result in more and better research and support functions being performed. Unfortunately, CSIRO Executive utilised the restructure process in 2013-14 to earmark the removal of 300 management and support jobs. The Association consequently worked hard to protect jobs, rights and conditions. This included regular advocacy so that member feedback in the implementation process was considered, ensuring no spill and fill processes were undertaken and supporting fair and equitable treatment and opportunity for staff.

- Enterprise Bargaining

The Association developed its claim for bargaining for a new Enterprise Agreement through comprehensive member surveys and workplace meetings. The claim was lodged with CSIRO Executive in December 2013. Association members put pressure on the CSIRO Executive to commence bargaining negotiations as soon as possible at the start of 2014. Despite this, CSIRO

Executive and Human Resources delayed bargaining, awaiting the release of a policy position from the Federal Government, which caused disadvantage for staff from the outset. In practice, it also meant that there would be no genuine prospect of reaching agreement for a new Enterprise Agreement before the nominal expiry date of the current agreement on 16 August 2014. The Association held CSIRO Executive and HR to account for their chosen approach and 2014-15 will now be a pivotal year for this campaign.

- Governance and training

The Association redoubled its focus on best practice governance and training in 2013-14. Councillors formally undertook and completed an ACTU-accredited union governance training course. Further, the Association Council reviewed and optimised procedures for code of conduct, conflict of interest, purchasing and procurement and gifts and hospitality. Continuously improving governance and training will continue to be a priority for the Association Council in coming years.

- Consultative Council

Consultative Council is a legislated consultation forum, held twice every calendar year, between Staff Association representatives and the CSIRO CEO/Executive. In 2013-14, one Consultative Council meeting was held in Melbourne on 17 October 2013. A range of issues were addressed, including regional sites, environmental sustainability, implementation of recommendations from the Pearce investigation into bullying, use of contractors and consultants and interaction with the new Federal Government and Minister for Industry. Three Consultative Council meetings are due to be held in 2014-15, including with incoming CSIRO CEO Larry Marshall.

- Enforcement and member support

The Association had an intensive year in ensuring that the rights and conditions of members were enforced, no matter if these conditions are contained in an Enterprise Agreement or in legislation or organisational policies. The capacity of organisers and delegates was stretched to its absolute limit. This was in part due to the scale of the job losses and redundancies, the broad impacts of the organisation restructure as well as the increasing number of cases involving management of underperformance and grievance procedures.

- Communications

The Association has continued to make improvements in communications, with our Communications Officer and Communications Reference Group ensuring that Association communications have been professional and topical. In 2013-14, the Association achieved record statistics of views of information and stories in emails and on our website, both by members and other interested groups including the media.

More details on the Association's activities (including some activities not listed above) can be found at <http://cpsu-csiro.org.au>



Our Team

The main office of the Association is in the Melbourne office of the CPSU at 10/440 Collins Street, Melbourne, Victoria 3000. The Association also has staff in CPSU offices in Adelaide, Brisbane, Canberra, Perth and Sydney. The Section Secretary position, like other Association Council positions, is elected by the membership. It is the only salaried position on the Association Council with responsibility for the operations of the Association and management of the team of organising and support staff. This position is held by Sam Popovski.

In 2013-14, the team members/employees were:

Organising Staff	Location	Responsibility	FTE Allocation
Jeff Carig	Sydney	NSW (excluding Sth NSW)	1.0
Rod Drinkwater	Canberra	ACT and Sth NSW	1.0
Paul Girdler	Melbourne	Lead/National Organiser	1.0
Louise Jarman	Melbourne	VIC and TAS	1.0
Leanne Roche	Brisbane	QLD and NT (up to May 2014)	1.0
Sam Townsend	Brisbane	QLD and NT (from June 2014)	1.0
Ian Treloar	Adelaide	SA	0.5
Ash van Dijk	Perth	WA (up to October 2013)	0.4
Melanie Booth	Perth	WA (from November 2013)	
Support Staff			
Anthony Keenan	Sydney	Communications Officer	1.0
Carrie Wilson	Melbourne	Organising Support Officer	1.0
Angela Yuan	Melbourne	Membership and Finance Officer	1.0



Financial Changes of Note in 2013-14

The Association returned an overall operating deficit for the year of \$45,659. This result compared to the budgeted deficit for the year of \$119,079. Total income was \$28,774 less than budgeted whilst total expenditure was \$102,194 less than budgeted. The variance in total income arose from less income from membership subscriptions whilst the variance in total expenditure arose from a combination of items of salaries, administrative and industrial expenditure.

The Association has a diversified investment portfolio, with three term cash deposits, one each with MECU, LCU and ME Bank and a managed fund with Australian Ethical Investment, which is intended to be invested until at least 2017. The Association derives interest income from the term deposits and investment income (and capital gain or loss) from the managed fund.

The finances of the Association are independently audited, reviewed by the Association Council and disclosed to all members in the Financial Report, which is to be read in conjunction with this Operating Report. 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>

Statements on Superannuation Trustees and Reporting

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 WangYuan 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.

This report has been prepared in accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009*.



Sam Popovski
Secretary
31 October 2014

CSIRO STAFF ASSOCIATION

COMMITTEE OF MANAGEMENT CERTIFICATE

On the *5th November 2014* the Committee of Management of CSIRO Staff Association passed the following resolution in relation to the general purpose financial report for the financial year ended 30 June 2014:

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 the Reporting Guidelines of the General Manager of the Fair Work Commission (General Manager) and other requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (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 General Manager duly made under section 272 of the RO Act has been provided to the member or the General Manager; 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) where the reporting unit has not derived revenue from undertaking recovery of wages activity, include the statement 'no revenue has been derived from undertaking recovery of wages activity during the reporting period' or
- (g) where the reporting unit has derived revenue from undertaking recovery of wages activity:
 - (i) the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the General Manager; and
 - (ii) the committee of management caused the auditor to include in the scope of the audit required under section 257(1) of the RO Act all recovery of wages activity by the reporting unit in which revenues had been derived for the financial year in respect of such activity; and

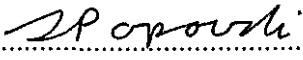
CSIRO STAFF ASSOCIATION

COMMITTEE OF MANAGEMENT CERTIFICATE

- (iii) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers other than reported in the financial report on recovery of wages activity and the notes to the financial statements; and
- (iv) that prior to engaging in any recovery of wages activity, the organisation has disclosed to members by way of a written policy all fees to be charged or reimbursed of expenses required for recovery of wages activity, and any likely request for donations or other contributions in acting for a worker in recovery of wages activity; and
- (v) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers until distributions of recovered money were made to the workers.

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


.....
MICHAEL BORGAS
Section President


.....
SAM POPOVSKI
Section Secretary

Dated this 5th day of *November*, 2014.

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

Report on the Financial Report

We have audited the accompanying financial report of CSIRO Staff Association which comprises the Statement of Financial Position at 30 June 2014, the Statement of Comprehensive Income, Statement of Recognised Income and Expense, Statement of Cash Flows and Statement of Receipts and Payments for Recovery of Wages Activity for the year then ended, notes comprising a summary of significant accounting policies, other explanatory information and the Committee of Management Statement.

Committee of Management's responsibility for the Financial Report

The Committee of Management are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations), the Reporting Guidelines of the General Manager of the Fair Work Commission and any other requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009. This responsibility also includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Audit Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee of Management, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

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

Audit Opinion

In our opinion, under section 257(5) of the Fair Work (Registered Organisations) Act 2009, the general purpose financial report of CSIRO Staff Association for the year ended 30 June 2014 is presented fairly in accordance with any of the following that apply in relation to the reporting unit:

- (a) the Australian Accounting Standards;
- (b) in relation to recovery of wages activity;
 - (i) that the scope of the audit encompassed recovery of wages activity;
 - (ii) that the financial statements and notes and recovery of wages activity financial report properly and fairly report all information required by the reporting guidelines of the General Manager of the Fair Work Commission, including;
 - 1. any fees charged to or reimbursements of expenses claimed from members and others for recovery of wages activity; and
 - 2. any donations or other contributions deducted from recovered money; and
- (c) any other requirements imposed by these Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

Going Concern

The auditor declares that as part of the audit of the financial statements, it was concluded that management's use of the going concern basis of accounting in the preparation of the reporting unit's financial statements is appropriate.

Matters Relating to the Electronic Publication of the Audited Financial Report

This auditor's report relates to the financial report of the CSIRO Staff Association for the year ended 30 June 2014 included on the CSIRO Staff Association's website. The organisation's Committee of Management are responsible for the integrity of the CSIRO Staff Association's website. We have not been engaged to report on the integrity of the CSIRO Staff Association's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.

Approved Auditor

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

UHY Haines Norton

**UHY Haines Norton
Chartered Accountants**

R.H. Hutton

**R.H. Hutton
Registered Company Auditor**

Dated this 5th day of NOVEMBER, 2014.

CSIRO STAFF ASSOCIATION
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
Revenue	5	1,376,625	1,363,592
Expenses	6	(1,421,010)	(1,442,709)
Impairment of Investments	1(d), 6, 10(a)	<u>(1,274)</u>	<u>(3,394)</u>
Profit/(loss) before income tax		(45,659)	(82,511)
Income tax expense	1(a)	<u>-</u>	<u>-</u>
Profit/(loss) for the year		(45,659)	(82,511)
Other comprehensive income:			
Net gain/(loss) on revaluation of financial assets		<u>40.662</u>	<u>55.710</u>
Other comprehensive income for the year, net of tax		<u>40.662</u>	<u>55.710</u>
Total comprehensive income for the year		<u><u>(4.997)</u></u>	<u><u>(26.801)</u></u>

The accompanying notes form part of this financial report.

CSIRO STAFF ASSOCIATION
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2014

	Note	2014 \$	2013 \$
EQUITY			
Accumulated Funds		1,531,594	1,577,253
Reserves		<u>96,372</u>	<u>55,710</u>
TOTAL EQUITY		<u><u>1,627,966</u></u>	<u><u>1,632,963</u></u>
Represented by:			
CURRENT ASSETS			
Cash & Cash Equivalents	8	1,668,830	1,541,963
Receivables	9	12,069	25,871
Financial Assets	10	404,938	349,691
Other	11	<u>2,062</u>	<u>5,326</u>
TOTAL CURRENT ASSETS		<u><u>2,087,899</u></u>	<u><u>1,922,851</u></u>
NON-CURRENT ASSETS			
Plant & Equipment	12	<u>574</u>	<u>1,499</u>
TOTAL ASSETS		<u><u>2,088,473</u></u>	<u><u>1,924,350</u></u>
CURRENT LIABILITIES			
Payables	13	361,299	165,420
Provisions	14	<u>99,208</u>	<u>125,967</u>
TOTAL CURRENT LIABILITIES		<u><u>460,507</u></u>	<u><u>291,387</u></u>
TOTAL LIABILITIES		<u><u>460,507</u></u>	<u><u>291,387</u></u>
NET ASSETS		<u><u>1,627,966</u></u>	<u><u>1,632,963</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 2014

	Accumulated Funds	Available-for-Sale Financial Instruments Reserve	Total
	\$	\$	\$
Balance at 1 July 2012	1,659,764	-	1,659,764
Profit for the year	(82,511)	-	(82,511)
Total other comprehensive income for the year	<u>-</u>	<u>55,710</u>	<u>55,710</u>
Balance at 30 June 2013	1,577,253	55,710	1,632,963
Loss for the year	(45,659)	-	(45,659)
Total other comprehensive income for the year	<u>-</u>	<u>40,662</u>	<u>40,662</u>
Balance at 30 June 2014	<u>1,531,594</u>	<u>96,372</u>	<u>1,627,966</u>

The accompanying notes form part of this financial report.

CSIRO STAFF ASSOCIATION

STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
INCOME			
Membership Subscriptions		1,295,331	1,276,083
Interest Received		64,380	76,796
Investment Income		<u>16,914</u>	<u>10,713</u>
		<u>1,376,625</u>	<u>1,363,592</u>
EXPENDITURE			
Salaries and Related Expenditure			
Elected Officials		109,705	100,716
Industrial & Administrative Staff		<u>677,705</u>	<u>659,930</u>
<i>Total Salaries</i>		<i>787,410</i>	<i>760,646</i>
Payroll Tax		46,895	44,742
Workers Compensation Insurance		9,254	8,219
Superannuation		140,157	135,867
Staff Amenities & Training		12,812	5,747
Annual Leave Provided		(30,107)	12,302
Long Service Leave Provided & Paid		38,803	30,194
Recruitment		<u>592</u>	<u>-</u>
Total Salaries & Related Expenditure		1,005,816	997,717
Administrative & Equipment Overheads			
Accounting & Audit Fees		11,300	10,300
Bank Charges		515	701
Depreciation		925	2,476
Electricity		5,553	5,552
Furniture & Computer Equipment (less than \$1,000)		425	382
Impairment of Investments		1,274	3,394
Management Fee - CPSU - PSU Group		90,620	89,326
Postage & Freight		1,101	1,460
Printing & Stationary		17,619	18,328
Rent & Outgoings		119,920	132,878
Sundry Expenses		11,635	11,355
Telephone		19,221	19,847
Website Service Agreement		<u>680</u>	<u>1,261</u>
Total Administrative & Equipment Overheads		280,788	297,260

The accompanying notes form part of this financial report.

CSIRO STAFF ASSOCIATION
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
EXPENDITURE <i>continued</i>			
Industrial Expenditure			
Affiliation Fees	1(h)	37,790	30,610
Cabcharge		797	1,036
Council & Executive Meeting Expenses		23,236	14,441
CSIRO Consultative Council		-	107
Donations		240	1,200
Enterprise Bargaining Agreement		13,097	-
Science & Technology Australia Board Meetings		1,002	597
Family Bereavement Support		1,000	1,000
Library & Publications		-	207
National Campaigns, Events & Meetings		7,095	4,122
Occupational Health & Safety		-	26
Presidential Expenses		5,259	3,337
Promotions & Merchandising		1,872	5,326
CPSU Matters		2,348	523
Research Policy Committee		363	10,053
Science Meets Parliament		7,102	8,287
Scholarship Awards		-	5,000
Site Visits		15,559	27,851
Sub-Section Activities		1,927	1,487
Special Events		568	19,927
Training & Conferences		13,720	13,247
Travelling Expenses		<u>2,705</u>	<u>2,742</u>
Total Industrial Expenditure		<u>135,680</u>	<u>151,126</u>
Total Expenditure		<u>1,422,284</u>	<u>1,446,103</u>
NET PROFIT/(LOSS)		<u>(45,659)</u>	<u>(82,511)</u>

The accompanying notes form part of this financial report.

CSIRO STAFF ASSOCIATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
CASHFLOWS FROM OPERATING ACTIVITIES			
Receipts from Membership Subscriptions		1,429,384	1,407,134
Receipts from Other Reporting Units	16 (d)	10,885	12,660
Interest Received		78,476	96,038
Payments to Suppliers & Employees		(89,328)	(137,994)
Payments to Other Reporting Units	16 (d)	<u>(1,303,603)</u>	<u>(1,464,041)</u>
Net Cash Provided by Operating Activities	16 (b)	<u>125,814</u>	<u>(86,203)</u>
 CASH FLOW FROM INVESTING ACTIVITIES			
Redemption of Investments		<u>1,054</u>	<u>-</u>
Net Cash Provided by Investing Activities		<u>1,054</u>	<u>-</u>
Net Increase/(Decrease) in cash held		126,868	(86,203)
Cash & Cash Equivalents at Beginning of Year		<u>1,541,963</u>	<u>1,628,166</u>
Cash & Cash Equivalents at End of Year	16 (a)	<u>1,668,831</u>	<u>1,541,963</u>

The accompanying notes form part of this financial report.

CSIRO STAFF ASSOCIATION

RECOVERY OF WAGES ACTIVITY FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
Cash Assets in respect of recovered money at beginning of the year		-	-
Receipts			
Amounts recovered from employers in respect of wages etc		-	-
Interest Received on recovered money		-	-
Total Receipts		<u>-</u>	<u>-</u>
Payments			
Deductions of amounts due in respect of membership		-	-
Deductions of donations or other contributions to accounts or funds		-	-
Deductions of fees or reimbursements of expenses		-	-
Payments to workers in respect of recovered money		-	-
Total Payments		<u>-</u>	<u>-</u>
Cash assets in respect of recovered money at the end of the year		<u>-</u>	<u>-</u>
Number of workers to which the monies recovered relates		-	-
Aggregate payables to workers attributable to recovered monies but not yet distributed			
Payable balance		-	-
Number of workers the payable relates to		-	-

Fund or account operated for recovery of wages

There has been no fund or account operated and no monies invested in any assets in respect to recovery of wages.

No revenue has been derived from undertaking recovery of wages activity during the reporting period.

The accompanying notes form part of this financial report.

CSIRO STAFF ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

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 (including Australian Accounting Interpretations), the Reporting Guidelines of the General Manager of the Fair Work Commission and any other requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

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 cashflow 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) Income Tax

No provision for income tax is required as the Section is exempt from income tax under Section 50-15 (3.2) of the Income Tax Assessment Act 1997.

(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 2014

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 2014

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 2014

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.

CSIRO STAFF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

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.

(k) Adoption of New and Revised Accounting Standards

During the current year, the entity has adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

Employee benefits

The entity adopted AASB 119: Employee Benefits (September 2011) and AASB 2011-10: Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) from the mandatory application date of 1 January 2013. The entity has applied these Standards retrospectively in accordance with AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors and the transitional provisions of AASB 119 (September 2011).

For the purpose of measurement, AASB 119 (September 2011) defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. Previously, annual leave satisfied the definition of short-term employee benefits and therefore the leave liability was measured on an undiscounted basis at the amounts expected to be paid when the liability is settled. However, under AASB 119 (September 2011), as the entity expects that most employees will not use all of their annual leave entitlements in the same year in which they are earned or during the following 12-month period, obligations for annual leave entitlements meet the definition of other long-term employee benefits and, therefore, are required to be measured at the present value of the expected future payments to be made to employees.

Note, however, that these changes do not impact the classification of leave entitlements between current and non-current liabilities in the statement of financial position.

The impact of these Accounting Standards are assessed as having no material impact on this financial report.

(l) New Accounting Standards for Application in Future Periods

The AASB has issued new, revised and amended Standards and Interpretations that have mandatory application dates for future reporting periods and which the company has decided not to early adopt.

The expected impact of these Accounting Standards issued but not yet operative at 30 June 2014 are assessed as having no material impact on this financial report.

NOTE 2: INFORMATION TO BE PROVIDED TO MEMBERS OR THE GENERAL MANAGER OF FAIR WORK AUSTRALIA

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:

- (1) A member of a reporting unit, or the General Manager of the Fair Work Commission, 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).

CSIRO STAFF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

NOTE 3: RELATED PARTY INFORMATION

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

Section President -	Michael Borgas
Section Deputy Presidents -	Warren Hicks Elizabeth Hulm
Section Secretary -	Sam Popovski
Section Treasurer -	Scott Wilkinson

Councillors-

ACT	- Janet Anstee
NT & North Qld	- Delia Muller
NSW	- Peter Saunders
SA	- Sonia Grocke
Southern Qld	- Anna Campbell
TAS	- Ann Thresher (Retired 31 December 2013) - Mark Green (Acting from 1 January 2014)
VIC	- Gary Cramer
WA	- Steve Charles (Retired 16 April 2014) - Patrick Merrigan (Acting from 17 April 2014)

(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
	\$	\$	\$	\$	\$	\$
2014						
Total Compensation	131,568	109,705	16,958	4,905	-	-
2013						
Total Compensation	121,700	100,716	15,934	5,050	-	-

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

CSIRO STAFF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

NOTE 4: EMPLOYEE BENEFITS

Year Ended 30 June 2014:	Elected Officials \$	Administrative & Industrial Staff \$	Total \$
Employee benefits paid to employees during the year:			
Wages & Salaries	\$ 83,988	\$ 595,765	\$ 679,753
Annual Leave and Sick Leave	\$ 25,717	\$ 81,940	\$ 107,657
Long Service Leave (Refer Note 1(e))	\$ -	\$ 12,430	\$ 12,430
Separation and Redundancies	\$ -	\$ -	\$ -
Other Employee Expenses	\$ -	\$ -	\$ -
Superannuation	\$ 16,958	\$ 123,199	\$ 140,157
Employee benefits paid or payable to the CPSU - PSU Group in respect to employees during the year (Refer Note 1(e)):			
Long Service Leave	\$ 4,011	\$ 19,016	\$ 23,027
Year Ended 30 June 2013:	Elected Officials \$	Administrative & Industrial Staff \$	Total \$
Employee benefits paid to employees during the year:			
Wages & Salaries	\$ 93,682	\$ 588,802	\$ 682,484
Annual Leave and Sick Leave	\$ 7,034	\$ 71,128	\$ 78,162
Long Service Leave (Refer Note 1(e))	\$ -	\$ 4,903	\$ 4,903
Separation and Redundancies	\$ -	\$ -	\$ -
Other Employee Expenses	\$ -	\$ -	\$ -
Superannuation	\$ 15,934	\$ 119,933	\$ 135,867
Employee benefits paid to the CPSU - PSU Group in respect to employees during the year (Refer Note 1(e)):			
Long Service Leave	\$ 4,182	\$ 22,691	\$ 26,873

CSIRO STAFF ASSOCIATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

	2014	2013
	\$	\$
NOTE 5: REVENUE		
Operating activities:-		
- Subscriptions Received	1,295,331	1,276,083
- Capitation Fees Received	-	-
- Levies Received	-	-
- Grants or Donations Received	-	-
- Financial Support Received	-	-
- Interest (other persons/corporations)	64,380	76,796
- Investment Income	<u>16,914</u>	<u>10,713</u>
Total Revenue	<u>1,376,625</u>	<u>1,363,592</u>

NOTE 6: EXPENSES

Depreciation of office furniture and equipment	925	2,476
Impairment of Investments	1,274	3,394
Amounts set aside to Provisions:		
Long Service Leave	3,347	3,320
Annual Leave	(30,107)	12,302
Management Fee - CPSU - PSU Group	90,620	89,326
Affiliation Fees:		
Science & Technology Australia	4,400	4,267
The Union Shopper	2,171	2,056
ACTU	12,132	6,960
State Labour Councils	<u>13,513</u>	<u>11,778</u>
Total Affiliation Fees	<u>32,216</u>	<u>25,061</u>

CSIRO STAFF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

	2014 \$	2013 \$
NOTE 6: EXPENSES <i>continued</i>		
Donations and Grants:		
Donations - Family Bereavement Support	1,000	1,000
Donations - Other	240	1,200
Grants - Scholarship Awards	-	5,000
Grants - Other	-	-
Total Donations and Grants	1,240	7,200

The following grants in excess of \$1,000 were paid:

[REDACTED]

2014: There were no grants paid which exceeded \$1,000

There were no donations paid which exceeded \$1,000 during the year ended 30 June 2013 or 2014.

Consideration paid to employers for payroll deductions	-	-
Compulsory levies		
ACTU Campaign Industrial Levies	5,574	5,550
Fees/allowances - meetings and conferences	2,916	6,072
Conference and meeting expenses	41,937	70,058
Legal fees and other expenses related to:		
Litigation	-	-
Other legal matters	-	-
Penalties - via RO Act or RO Regulations	-	-

NOTE 7: AUDITING EXPENSES

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

Auditing the financial report	\$ 7,500	\$ 7,100
Other services	3,800	3,200
	11,300	10,300

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 Section.

CSIRO STAFF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

	2014 \$	2013 \$
NOTE 8: CASH & CASH EQUIVALENTS		
Cash on Hand	349	550
Cash Held at Call:		
Cash with Members and Education Credit Union	209,873	52,178
Cash with Laboratories Credit Union	37,354	24,020
Cash on Deposit:		
Deposits with Members and Education Credit Union	525,886	504,447
Deposits with Laboratories Credit Union	400,000	486,228
Deposits with ME Bank	<u>495,368</u>	<u>474,540</u>
	<u>1,668,830</u>	<u>1,541,963</u>

NOTE 9: RECEIVABLES

Receivables from other reporting units:		
Receivables from CPSU - PSU Group	4,370	4,051
Less provision for doubtful debts	-	-
Receivables from other reporting units (net)	<u>4,370</u>	<u>4,051</u>
Other Receivables:		
Sundry Debtors	840	865
Accrued Interest	<u>6,859</u>	<u>20,955</u>
Total Other Receivables	<u>7,699</u>	<u>21,820</u>
	<u>12,069</u>	<u>25,871</u>

NOTE 10: FINANCIAL ASSETS

Available for Sale Financial Assets:		
Shares in Members and Education Credit Union	10	10
Managed Funds Investments	<u>404,928</u>	<u>349,681</u>
	<u>404,938</u>	<u>349,691</u>

(a) Impairment of Available-for-Sale Financial Instruments

There has been a significant or prolonged decline in the fair value of Available for Sale Financial Instruments resulting in the initial investment amounts being impaired. In accordance with AASB 139 "Financial Instruments: Recognition and Measurement" the Association recorded impairment losses in the income statement as follows:

Current year impairment of investments	<u>(1,274)</u>	<u>(3,394)</u>
Net impairment of investments	<u>(1,274)</u>	<u>(3,394)</u>

CSIRO STAFF ASSOCIATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

	2014 \$	2013 \$
NOTE 11: OTHER ASSETS		
Prepayments	<u>2,062</u>	<u>5,326</u>
	<u>2,062</u>	<u>5,326</u>
 NOTE 12: PLANT & EQUIPMENT		
Office Furniture & Equipment	16,854	16,854
Less: Accumulated Depreciation	<u>(16,280)</u>	<u>(15,355)</u>
	<u>574</u>	<u>1,499</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	1,499	3,975
Disposals	-	-
Depreciation	<u>(925)</u>	<u>(2,476)</u>
Carrying amount at end of year	<u>574</u>	<u>1,499</u>
 NOTE 13: ACCOUNTS PAYABLE		
Payables to other reporting unit:		
CPSU - PSU Group	<u>301,131</u>	<u>153,329</u>
Total Payables to other reporting unit	<u>301,131</u>	<u>153,329</u>
Other Payables:		
Sundry Creditors	12,793	12,091
Subscriptions in Advance	47,375	-
Consideration to employers for payroll deductions	-	-
Legal costs	<u>-</u>	<u>-</u>
Total Other Payables	<u>60,168</u>	<u>12,091</u>
	<u>361,299</u>	<u>165,420</u>

CSIRO STAFF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

	2014 \$	2013 \$
NOTE 14: PROVISIONS		
Current		
Employee Benefits - short term benefits at nominal value:		
Provision for Annual Leave	62,688	92,794
Provision for Long Service Leave Oncosts	36,520	33,173
Provision for Separation and Redundancies	-	-
Provision for Other Employee Benefits	-	-
	<u>99,208</u>	<u>125,967</u>
 (a) Provision for Annual Leave in respect to:		
Elected Officials	2,711	23,595
Administrative and Industrial Staff	59,977	69,199
	<u>62,688</u>	<u>92,794</u>
 (b) Provision for Long Service Leave Oncosts in respect to:		
Elected Officials	6,354	5,720
Administrative and Industrial Staff	30,166	27,453
	<u>36,520</u>	<u>33,173</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 15: 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	68,588	67,696
- later than one year but not later than five years	165,777	231,317
	<u>234,365</u>	<u>299,013</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 2014

	2014	2013
	\$	\$

NOTE 16: 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	349	550
Cash Held at Call with Credit Unions	247,227	76,198
Cash on Deposits with Credit Unions	<u>1,421,254</u>	<u>1,465,215</u>
	<u>1,668,830</u>	<u>1,541,963</u>

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

Operating profit/(loss) for year	(45,659)	(82,511)
Non-cash flows in operating profit		
Depreciation & Amortisation	925	2,476
Impairment Loss/(Gain)	1,274	3,394
Changes in assets and liabilities		
(Increase)/Decrease in Receivables	13,802	19,397
(Increase)/Decrease in Other Assets	3,265	(4,329)
(Increase)/Decrease in Other Financial Assets	(16,913)	(7,620)
Increase/(Decrease) in Accounts Payable	195,879	(32,631)
Increase/(Decrease) in Employee Provisions	<u>(26,759)</u>	<u>15,621</u>
Net Cash Provided by/(Used in) Operating Activities	<u>125,814</u>	<u>(86,203)</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	10,885	12,660
Payments to CPSU - PSU Group	(1,303,603)	(1,464,041)

CSIRO STAFF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

NOTE 17: 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 2014.

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 18: 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 19: 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 2014**

NOTE 20: 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	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
	\$	\$	%	%	\$	\$	\$	\$	\$	\$
Financial Assets										
Cash and Bank Deposits	1,668,830	1,541,963	4.06	4.72	349	550	247,227	76,198	1,421,254	1,465,215
Managed Funds	404,928	349,681	-	-	404,928	349,681	-	-	-	-
Receivables	12,069	25,871	-	-	12,069	25,871	-	-	-	-
Total Financial Assets	2,085,827	1,917,515			417,346	376,102	247,227	76,198	1,421,254	1,465,215
Financial Liabilities										
Accounts Payable	307,705	165,420	-	-	307,705	165,420	-	-	-	-
Total Financial Liabilities	307,705	165,420			307,705	165,420	-	-	-	-

(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 2014**

NOTE 20: FINANCIAL INSTRUMENTS *continued*

(c) Market Risk *continued*

2014	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
Financial Assets													
Cash and Bank Deposits	1,668,830	(16,688)	(16,688)	16,688	16,688	-	-	-	-	-	-	-	-
Managed Funds	404,928	-	-	-	-	(80,985)	(80,985)	-	80,985	(8,098)	(8,098)	8,098	8,098
Receivables	12,069	-	-	-	-	-	-	-	-	-	-	-	-
Financial Liabilities													
Accounts Payable	307,705	-	-	-	-	-	-	-	-	-	-	-	-

2013	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
Financial Assets													
Cash and Bank Deposits	1,541,963	(15,414)	(15,414)	15,414	15,414	-	-	-	-	-	-	-	-
Managed Funds	349,681	-	-	-	-	(69,936)	(69,936)	-	69,936	(6,994)	(6,994)	6,994	6,994
Receivables	25,871	-	-	-	-	-	-	-	-	-	-	-	-
Financial Liabilities													
Accounts Payable	165,420	-	-	-	-	-	-	-	-	-	-	-	-

CSIRO STAFF ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 20: 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 or impaired	Not past due nor impaired	Past due or impaired
	2014 \$	2014 \$	2013 \$	2013 \$
Financial Assets				
Receivables	12,069	-	25,871	-

Ageing of financial assets that were not impaired

	<30 days \$	31 – 60 days \$	61 – 90 days \$	> 90 days \$	Total \$
2014 Receivables	12,069	-	-	-	12,069
2013 Receivables	25,871	-	-	-	25,871

(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 2014.

(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 2014

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	
	2014	2013	2014	2013
	\$	\$	%	%
Financial Assets				
Cash and Bank Deposits	1,668,830	1,541,963	1,668,830	1,541,963
Managed Funds	404,928	349,681	404,928	349,681
Receivables	12,069	25,871	12,069	25,871
Total Financial Assets	2,085,827	1,917,515	2,085,827	1,917,515
Financial Liabilities				
Accounts Payable	307,705	165,420	369,199	165,420
Total Financial Liabilities	307,705	330,840	307,705	330,840

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 2014	Date of valuation	Level 1	Level 2	Level 3
Financial Assets					
Managed Funds Investments	404,928	30/06/2014	404,928	-	-

CSIRO STAFF ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

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 (CSPU).

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 CSPU - 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 2014, the Section has not recorded any impairment of receivables relating to amounts owed by other reporting units (2013: \$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.