



14 February 2019

Mr Sam Popovski
Secretary
CPSU, the Community and Public Sector Union - PSU Group, CSIRO Section
Level 7, 350 Queen Street
MELBOURNE VIC 3000

By email: csstaff@cpsu.org.au

CC: mfensome@mcd.com.au

Dear Mr Popovski,

**CPSU, the Community and Public Sector Union – PSU Group, CSIRO Section
Financial Report for the year ended 30 June 2018 - [FR2018/27]**

I acknowledge receipt of the financial report for the year ended 30 June 2018 for the CPSU, the Community and Public Sector Union – PSU Group, CSIRO Section (**the reporting unit**). The documents were lodged with the Registered Organisations Commission (**the ROC**) on 12 December 2018.

The financial report has now been filed.

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 2019 may be subject to an advanced compliance review.

You are not required to take any further action in respect of the report lodged, however I make the following comments to assist you when you next prepare a financial report. The ROC will confirm these matters have been addressed prior to filing next year's report.

Trustee of superannuation entity

Subsection 254(2)(d) of the RO Act requires details of any officer or member of the reporting unit who is a trustee, or a director of a company that is a trustee, of a superannuation entity or an exempt public sector superannuation scheme. The details are required only where an officer or member of the reporting unit is a trustee of a superannuation entity or an exempt public superannuation scheme, where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organisation.

The disclosure in the operating report that Angela Yuan is a trustee for Wang Yuan Superannuation Fund, is not such a criterion for the purpose of subsection 254(2)(d) of the RO Act and consequently this disclosure is not required. In future if no officers or a member of the

reporting unit is a trustee of a superannuation entity, the preferred wording to satisfy subsection 254(2)(d) is:

‘No officer or member of the reporting unit holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such position is that they are an officer or member of a registered organisation.’

Officer’s declaration statement – to include all nil activity disclosures not elsewhere disclosed

Item 21 of the reporting guidelines states that if any of the activities identified within items 10-20 of the reporting guidelines have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes or in the officer’s declaration statement. I note that the officer’s declaration statement includes the following nil activity disclosures for which there was already an equivalent form of disclosure in the body of the notes or the statement of comprehensive income:

- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission (reporting guideline 12) is disclosed in both the officer’s declaration statement and in Note 19;
- receive capitation fees from another reporting unit (reporting guideline 13(b)) is disclosed in both the officer’s declaration statement and in Note 5;
- receive revenue via compulsory levies (reporting guideline 13(c)) is disclosed in both the officer’s declaration statement and in Note 5;
- receive donations or grants (reporting guideline 13(d)) is disclosed in both the officer’s declaration statement and in Note 5;
- pay capitation fees to another reporting unit (reporting guideline 14(b)) is disclosed in both the officer’s declaration statement and in Note 6;
- pay compulsory levies (reporting guideline 14(d)) is disclosed in the officer’s declaration statement, Note 6 and the statement of comprehensive income;
- pay legal costs relating to litigation and to other legal matters (reporting guidelines 14(j)(i) and 14(j)(ii)) is disclosed in the officer’s declaration statement, Note 6 and the statement of comprehensive income;
- pay a penalty imposed under the RO Act or the *Fair Work Act 2009* (reporting guideline 14(k)) is disclosed in both the officer’s declaration statement and in Note 6;
- have a payable to employer as consideration for that employer making payroll deductions of membership subscriptions (reporting guideline 16(a)) is disclosed in both the officer’s declaration statement and in Note 13;
- have a payable in respect of legal costs relating to litigation and to other legal matters (reporting guidelines 16(b)(i) and 16(b)(ii)) is disclosed in both the officer’s declaration statement and in Note 13;
- have a fund or account for compulsory levies, voluntary contributions or required by the rulers of the organisation or branch (reporting guideline 17(a)) is disclosed in both the officer’s declaration statement and in Note 20;
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity (reporting guideline 17(b)) is disclosed in both the officer’s declaration statement and in Note 20.

Please note that nil activities only need to be disclosed once.

Reporting Requirements

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 reporting guidelines and a model set of financial statements. The ROC recommends that reporting units use these model financial

statements to assist in complying with the RO Act, the s.253 reporting guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

If you have any queries regarding this letter, please contact me on (02) 8293 4654 or via email at david.vale@roc.gov.au.

Yours faithfully

A handwritten signature in blue ink that reads "David Vale". The signature is written in a cursive style with a long horizontal stroke extending to the right.

David Vale
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

Certificate for the year ended 30th June 2018

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 13th November 2018; and
- that the full report was presented to a general meeting of members of the reporting unit on 6th December 2018 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:

.....

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

Operating Report
for the year ended 30 June 2018

The Committee of Management presents its operating report on the Reporting Unit for the year ended 30 June 2018.

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 2017-18, the Association Council met on nine occasions: two in face and seven by telephone. The Association Executive met in face on one occasion and held monthly discussions by telephone. Minutes of meetings record the motions and actions of the Council and Executive.

In 2017-18, the Association Council implemented several key activities and campaigns, driven by input and participation of Association delegates and members:

- Strategic and operational plans: the Council developed its own strategic and operational plans including defining the Association's mission and values; identifying priority goals and campaigns; and determining key deliverables and accountabilities.
- Financial sustainability: the Council developed proposals with consultation and implemented a preferred option to achieve financial sustainability for the Association in 2018-19 and future financial years.
- Governance and elections: the Association implemented governance training for all Councillors and implemented new requirements of the Fair Work Act including in relation to declarations and reporting to the Commission. The Association participated in elections for CPSU officer positions for 2018 to 2020.
- Enterprise agreement: following the completion of enterprise bargaining in June 2017, the Association focussed on increasing member participation and industrial awareness through the Know Your Rights series of factsheets throughout 2017-18.
- Protecting jobs and enforcing working conditions: continued redundancies and restructures at CSIRO resulted in industrial and organising activities to reduce proposed job losses and protect the entitlements of members; including in Data61, Manufacturing, Minerals, HSE, CBIS and Corporate Affairs.

- Proactive campaigns: the Council identified six key proactive campaigns for the next 12-24 months, including achieving a staff-elected position on the CSIRO Board; advocating for the independence and integrity of CSIRO and ABC; the ACTU's Change the Rules campaign; removing CSIRO siloes and improving transparency and fairness; organising early career and postdoctoral researchers as well as workers at Data61.
- AAO: the Association supported working conditions and rights as members were compulsorily transferred to work with the Australian National University and Macquarie University from the Department of Industry. Unfortunately, this meant that AAO workers would no longer be eligible for coverage by the Association from 2018-19.
- Advocating for CSIRO and public sector science: a continued focus in 2017-18 including through the Support CSIRO campaign and lobbying for funding for research infrastructure and CSIRO's regional sites.
- Consultative Council: two meetings were held on 7 September 2017 and 18 June 2018, between Association representatives and CSIRO CEO, Executive and HR. A range of issues were addressed including: the conclusion of enterprise bargaining, CSIRO's Strategy 2020, commercialisation and IP, site consolidations, removing CSIRO's siloed approaches including in redundancy and redeployment processes, improving internal collaboration, onsite childcare, postdoctoral researchers and the health, safety and wellbeing of staff.
- Member support and communications: the Association provides support, advice and assistance for all our members, including on an individual basis. The Association's communication activities particularly through emails and our website continued to grow, with regular Pulse newsletters profiling at least six topics every 1-2 months.
- More details on the range and results of Association's activities (including activities not outlined 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 \$265,853. This result compared to the budgeted deficit for the year of \$297,937. Total income was \$38,497 less than budgeted whilst total expenditure was \$70,581 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 2135 members of the Association as at 30 June 2018.

Number of employees

There were 11 employees (9.9 FTE) of the Association as at 30 June 2018. 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 2017-18 were:


Executive

| | |
|-------------------------------|--|
| Section President | Sonia Grocke (acting until 31 December 2017; elected from 1 January 2018) |
| Section Deputy Presidents (2) | Elizabeth Hulm (elected until 31 December 2017) Mark Green (elected from 1 January 2018) Melissa Skidmore (acting until 31 December 2017; elected from 1 January 2018) |
| Section Treasurer | Scott Wilkinson |
| Section Secretary | Sam Popovski |

Sub-Section Councillors

| | |
|-------------------------------|---|
| ACT Councillor | Janet Anstee (elected until 31 December 2017) |
| NSW Councillor | Mike Collins (acting until 31 December 2017; elected from 1 January 2018) |
| Northern Australia Councillor | Delia Muller |
| SA Councillor | Ben Scherer (elected until 31 December 2017) |
| Southern QLD Councillor | Anna Campbell |
| TAS Councillor | Mark Green (elected until 31 December 2017) Damien Irving (acting from 1 January 2018) |
| VIC Councillor | Lynda Wright (elected from 1 January 2018) |
| WA Councillor | Steve Charles (acting until 31 December 2017; elected from 1 January 2018) |

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: 7 November 2018.

CSIRO STAFF ASSOCIATION

COMMITTEE OF MANAGEMENT CERTIFICATE

On the 7th of November 2018 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 2018:

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.

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


SONIA GROCKE
Section President


SAM POPOVSKI
Section Secretary

Dated this 7th day of November 2018.

CSIRO STAFF ASSOCIATION

REPORT REQUIRED UNDER SUBSECTION 255(2A) FOR THE YEAR ENDED 30 JUNE 2018

The Committee of Management present the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 30 June 2018

| Categories of expenditures | 2018 \$ | 2017 \$ |
|--|------------|------------|
| Remuneration and other employment-related costs and expenses - employees | 1,140,267 | 1,073,692 |
| Advertising | - | - |
| Operating costs | 282,061 | 293,532 |
| Donations to political parties | 1,425 | - |
| Legal costs | - | 5,168 |



Mr Sam Popovski

Association Secretary

Dated this 7th day of November 2018.

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

Opinion

I have audited the financial report of CSIRO Staff Association ('the Reporting Unit'), which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, the Committee of Management certification and the subsection 255(2A) report and the Officer Declaration Statement.

In my opinion the accompanying financial report of the Reporting Unit presents fairly, in all material respects, the Reporting Unit's financial position as at 30 June 2018 and its financial performance and its cash flows for the year then ended in accordance with:

- (i) Australian Accounting Standards; and
- (ii) 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).

I declare that Committee of Management's use of the going concern basis in the preparation of the financial statements of the Reporting Unit is appropriate.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am 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 my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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

The Committee of Management 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.

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

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

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

Responsibilities of the Committee of Management for the Financial Report

The Committee of Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that 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 relating to going concern and using the going concern basis of accounting unless the Committee of Management either intends to liquidate the Reporting Unit or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

My 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 my 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, I exercise professional judgment and maintain professional scepticism throughout the audit. I 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 my 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 Reporting Unit'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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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. I am responsible for the direction, supervision and performance of the Reporting Unit's audit. I remain solely responsible for my audit opinion.

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

Auditor's Responsibilities for the Audit of the Financial Report (Continued)

I 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 I identify during my audit.


I declare that I am an auditor registered under the RO Act.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of section 257(7) of the RO Act, I am required to describe any deficiency, failure or shortcoming in respect of the matters referred to in section 252 and 257(2) of the RO Act.

I did not identify any matters to report in this regard.


McLean Delmo Bentley's Audit Pty Ltd


Martin Fensome
Partner

Hawthorn
13 November 2018

Registration number (as registered by the RO Commissioner under the RO Act): AA2017/143

CSIRO STAFF ASSOCIATION
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018

| | Note | 2018 \$ | 2017 \$ |
|---|----------------|-------------------------|-------------------------|
| Revenue | 5 | 1,249,123 | 1,260,541 |
| Expenses | 6 | (1,514,976) | (1,515,757) |
| Impairment of Investments | 1(d), 6, 10(a) | <u>-</u> | <u>-</u> |
| Profit/(loss) before income tax | | (265,853) | (255,216) |
| Income tax expense | 1(a) | <u>-</u> | <u>-</u> |
| Profit/(loss) for the year | | (265,853) | (255,216) |
| Other comprehensive income: | | | |
| Net gain/(loss) on revaluation of financial assets | | <u>59,365</u> | <u>85,376</u> |
| Other comprehensive income for the year, net of tax | | <u>59,365</u> | <u>85,376</u> |
| Total comprehensive income for the year | | <u><u>(206,488)</u></u> | <u><u>(169,840)</u></u> |

The accompanying notes form part of this financial report.

CSIRO STAFF ASSOCIATION
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018

| | Note | 2018 \$ | 2017 \$ |
|----------------------------------|------|-------------------------|-------------------------|
| EQUITY | | | |
| Accumulated Funds | | 770,040 | 1,035,893 |
| Reserves | | <u>199,103</u> | <u>139,738</u> |
| TOTAL EQUITY | | <u><u>969,143</u></u> | <u><u>1,175,631</u></u> |
| Represented by: | | | |
| CURRENT ASSETS | | | |
| Cash & Cash Equivalents | 8 | 546,932 | 562,101 |
| Receivables | 9 | 9,485 | 11,183 |
| Financial Assets | 10 | 972,194 | 948,815 |
| Other Assets | 11 | <u>-</u> | <u>1,296</u> |
| TOTAL CURRENT ASSETS | | <u><u>1,528,611</u></u> | <u><u>1,523,395</u></u> |
| NON-CURRENT ASSETS | | | |
| Plant & Equipment | 12 | <u>1,376</u> | <u>1,948</u> |
| TOTAL ASSETS | | <u><u>1,529,987</u></u> | <u><u>1,525,343</u></u> |
| CURRENT LIABILITIES | | | |
| Payables | 13 | 430,338 | 223,118 |
| Other Liabilities | 14 | - | - |
| Provisions | 15 | <u>130,506</u> | <u>126,594</u> |
| TOTAL CURRENT LIABILITIES | | <u><u>560,844</u></u> | <u><u>349,712</u></u> |
| TOTAL LIABILITIES | | <u><u>560,844</u></u> | <u><u>349,712</u></u> |
| NET ASSETS | | <u><u>969,143</u></u> | <u><u>1,175,631</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 2018

| | Accumulated Funds | Reserves | Total |
|---|-----------------------|-----------------------|-----------------------|
| | \$ | \$ | \$ |
| Balance at 30 June 2016 | 1,291,109 | 54,362 | 1,345,471 |
| Profit / (Loss) for the year | (255,216) | - | (255,216) |
| Total other comprehensive income for the year | <u>-</u> | <u>85,376</u> | <u>85,376</u> |
| Balance at 30 June 2017 | 1,035,893 | 139,738 | 1,175,631 |
| Profit / (Loss) for the year | (265,853) | - | (265,853) |
| Total other comprehensive income for the year | <u>-</u> | <u>59,365</u> | <u>59,365</u> |
| Balance at 30 June 2018 | <u>770,040</u> | <u>199,103</u> | <u>969,143</u> |

The accompanying notes form part of this financial report.

CSIRO STAFF ASSOCIATION

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2018

| | Note | 2018 \$ | 2017 \$ |
|--|------|------------------|------------------|
| INCOME | | | |
| Membership Subscriptions | | 1,170,214 | 1,192,558 |
| Interest Received | | 14,896 | 17,893 |
| Sundry Income | | - | 450 |
| Investment Income | | <u>64,013</u> | <u>49,640</u> |
| | | <u>1,249,123</u> | <u>1,260,541</u> |
| EXPENDITURE | | | |
| Salaries and Related Expenditure | | | |
| Elected Officials | | 112,799 | 114,113 |
| Industrial & Administrative Staff | | <u>762,892</u> | <u>702,910</u> |
| Total Salaries | | 875,691 | 817,023 |
| Payroll Tax | | 52,359 | 49,631 |
| Workers Compensation Insurance | | 9,833 | 9,200 |
| Superannuation | | 165,041 | 155,927 |
| Staff Amenities & Training | | 10,330 | 12,748 |
| Career Transition Expense | | - | - |
| Annual Leave Provided | | 2,385 | 6,539 |
| Long Service Leave Provided & Paid | | <u>24,628</u> | <u>22,624</u> |
| Total Salaries & Related Expenditure | | 1,140,267 | 1,073,692 |
| Administrative & Equipment Overheads | | | |
| Accounting & Audit Fees | | 11,550 | 12,200 |
| Bank Charges | | 545 | 616 |
| Depreciation | | 572 | 1,405 |
| Electricity | | 5,379 | 5,379 |
| Furniture & Computer Equipment (less than \$1,000) | | 4,342 | 4,388 |
| Impairment of Investments | | - | - |
| Loss on Disposal of Equipment | | - | - |
| Management Fee - CPSU - PSU Group | | 81,915 | 83,479 |
| Postage & Freight | | 618 | 205 |
| Printing & Stationary | | 19,995 | 20,696 |
| Rent & Outgoings | | 126,091 | 134,197 |
| Sundry Expense | | 10,661 | 10,694 |
| Telephone | | 19,705 | 18,893 |
| Website Service Agreement | | <u>688</u> | <u>1,380</u> |
| Total Administrative & Equipment Overheads | | 282,061 | 293,532 |

The accompanying notes form part of this financial report.

CSIRO STAFF ASSOCIATION
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018

| | Note | 2018 \$ | 2017 \$ |
|---|------|------------------|------------------|
| EXPENDITURE <i>continued</i> | | | |
| Industrial Expenditure | | | |
| Affiliation Fees | 1(h) | 35,803 | 44,546 |
| Carbon Offset | | - | - |
| Cabcharge | | 201 | 686 |
| Council & Executive Meeting Expenses | | 27,453 | 37,213 |
| CSIRO Consultative Council | | 2,065 | - |
| Donations | | 3,425 | 1,000 |
| Enterprise Bargaining Agreement | | - | 13,247 |
| Science & Technology Australia Board Meetings | | - | 814 |
| Legal Fees | | - | 5,168 |
| Levies | | - | - |
| National Campaigns, Events & Meetings | | 847 | 915 |
| Promotions & Merchandising | | 628 | - |
| CPSU Matters | | 386 | 977 |
| Research Policy Committee | | 430 | 7,472 |
| Science Meets Parliament | | 3,348 | 5,953 |
| Scholarship Awards | | 1,000 | 3,000 |
| Site Visits | | 14,294 | 25,388 |
| Sub-Section Activities | | 1,293 | 736 |
| Training & Conferences | | 1,475 | - |
| Travelling Expenses | | - | 1,418 |
| Total Industrial Expenditure | | <u>92,648</u> | <u>148,533</u> |
| Total Expenditure | | <u>1,514,976</u> | <u>1,515,757</u> |
| NET PROFIT/(LOSS) | | <u>(265,853)</u> | <u>(255,216)</u> |

The accompanying notes form part of this financial report.

CSIRO STAFF ASSOCIATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018

| | Note | 2018 \$ | 2017 \$ |
|---|--------|-----------------------|-----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts from Membership Subscriptions | | 1,281,280 | 1,312,764 |
| Receipts from Other Reporting Units | 17 (d) | 8,949 | 5,256 |
| Interest Received | | 14,896 | 18,459 |
| Other Income Received | | - | 450 |
| Payments to Suppliers & Employees | | (82,684) | (138,797) |
| Payments to Other Reporting Units | 17 (d) | <u>(1,337,610)</u> | <u>(1,392,105)</u> |
| Net Cash Provided by Operating Activities | 17 (b) | <u>(115,169)</u> | <u>(193,973)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Payment for Office Furniture and Equipment | | - | (1,089) |
| Receipts from sale of Investments | | 100,000 | - |
| Payment for Investments | | <u>-</u> | <u>-</u> |
| Net Cash Provided by/(Used in) Investing Activities | | <u>100,000</u> | <u>(1,089)</u> |
| Net Increase/(Decrease) in cash held | | (15,169) | (195,062) |
| Cash & Cash Equivalents at Beginning of Year | | <u>562,101</u> | <u>757,163</u> |
| Cash & Cash Equivalents at End of Year | 17 (a) | <u><u>546,932</u></u> | <u><u>562,101</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 2018

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 2018

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 2018

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 2018

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 22.

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 2018

(k) Critical Accounting Estimates and Judgments

The Committee of Management evaluate estimates and judgments incorporated into the financial statement based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Association.

Key estimates — Impairment

The entity assesses impairment at each reporting date by evaluating conditions specific to the Association that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Key Judgments - Available-for-sale investments

The entity maintains a portfolio of securities with a carrying amount of \$972,194 at the end of the reporting period. Certain individual investments have declined in value since the initial acquisition of those investment. The Committee of Management do not believe this decline constitutes a significant or prolonged decline below cost at this stage and hence no impairment has been recognised. Should share values decline to a level which is in excess of 30% below cost or should prices remain at levels below cost for a period in excess of 12 months, the Committee of Management have determined that such investments will be considered impaired in the future.

(l) 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.

Future Australian Accounting Standards Requirements Accounting Standards

The Committee of Management has considered new standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period. Due to the nature of the Association's activities, it does not expect them to have any significant effect on the Association's financial statements.

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)

CSIRO STAFF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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 | Sonia Grocke (acting until 31 December 2017; elected from 1 January 2018) |
| Section Deputy Presidents (2) | Elizabeth Hulm (elected until 31 December 2017) Mark Green (elected from 1 January 2018) Melissa Skidmore (acting until 31 December 2017; elected from 1 January 2018) |
| Section Treasurer | Scott Wilkinson |
| Section Secretary | Sam Popovski |

Sub-Section Councillors

| | |
|-------------------------------|---|
| ACT Councillor | Janet Anstee (elected until 31 December 2017) |
| NSW Councillor | Mike Collins (acting until 31 December 2017; elected from 1 January 2018) |
| Northern Australia Councillor | Delia Muller |
| SA Councillor | Ben Scherer (elected until 31 December 2017) |
| Southern QLD Councillor | Anna Campbell |
| TAS Councillor | Mark Green (elected until 31 December 2017) Damien Irving (acting from 1 January 2018) |
| VIC Councillor | Lynda Wright (elected from 1 January 2018) |
| WA Councillor | Steve Charles (acting until 31 December 2017; elected from 1 January 2018) |

(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 |
|--------------------|---------|------------------------------------|---------------------------------|--------------------------------|-------------------------|---------------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ |
| 2018 | | | | | | |
| Total Compensation | 133,315 | 112,799 | 17,371 | 3,145 | - | - |
| 2017 | | | | | | |
| Total Compensation | 135,918 | 114,113 | 17,540 | 4,265 | - | - |

(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 2018

NOTE 4: EMPLOYEE BENEFITS

| Year Ended 30 June 2018: | Elected Officials \$ | Administrative & Industrial Staff \$ | Total \$ |
|--|-------------------------------------|---|---------------------|
| Employee benefits paid to employees during the year: | | | |
| Wages & Salaries | 100,534 | 672,826 | 773,360 |
| Annual Leave and Sick Leave | 12,265 | 90,066 | 102,331 |
| Long Service Leave (Refer Note 1(e)) | - | - | - |
| Separation and Redundancies | - | - | - |
| Other Employee Expenses | - | - | - |
| Superannuation | 17,371 | 147,670 | 165,041 |
| 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 | 21,395 | 24,628 |
| | | | |
| Year Ended 30 June 2017: | Elected Officials \$ | Administrative & Industrial Staff \$ | Total \$ |
| 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 |

CSIRO STAFF ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

| | 2018 | 2017 |
|--|------------------|------------------|
| | \$ | \$ |
| NOTE 5: REVENUE | | |
| Operating activities: - | | |
| - Subscriptions Received | 1,170,214 | 1,192,558 |
| - Capitation Fees Received | - | - |
| - Levies Received | - | - |
| - Grants or Donations Received | - | - |
| - Financial Support Received | - | - |
| - Interest (other persons/corporations) | 14,896 | 17,893 |
| - Investment Income | 64,013 | 49,640 |
| - Other Revenue | - | 450 |
| Total Revenue | <u>1,249,123</u> | <u>1,260,541</u> |
| NOTE 6: EXPENSES | | |
| Depreciation of office furniture and equipment | 572 | 1,405 |
| Impairment of Investments | - | - |
| Loss on Disposal of Equipment | - | - |
| Amounts set aside to Provisions: | | |
| Long Service Leave | - | 804 |
| Annual Leave | 2,385 | 6,539 |
| Management Fee - CPSU - PSU Group | 81,915 | 83,479 |
| Affiliation Fees: | | |
| Science & Technology Australia | 4,758 | 4,660 |
| The Union Shopper | 72 | 5,650 |
| ACTU | 13,145 | 14,414 |
| State Labour Councils | 14,828 | 17,322 |
| Other | <u>3,000</u> | <u>2,500</u> |
| Total Affiliation Fees | <u>35,803</u> | <u>44,546</u> |

CSIRO STAFF ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

| | 2018 \$ | 2017 \$ |
|--|------------|------------|
| NOTE 6: EXPENSES continued | | |
| Donations and Grants: | | |
| Donations | 2,000 | 1,000 |
| Donations > \$1,000* | 1,425 | - |
| Grants - Scholarship Awards | 1,000 | 3,000 |
| Grants - Scholarship Awards > \$1,000 | - | - |
| Total Donations and Grants | 4,425 | 4,000 |
| *In kind contribution to Qld ALP | | |
| Consideration paid to employers for payroll deductions | - | - |
| Compulsory levies | | |
| ACTU Campaign Industrial Levies | - | - |
| Fees/allowances - meetings and conferences | 386 | 977 |
| Conference and meeting expenses | 29,948 | 44,685 |
| Legal fees and other expenses related to: | | |
| Litigation | - | - |
| Other legal matters | - | 5,167 |
| 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 | 7,700 | 8,400 |
| Other services | 3,850 | 3,800 |
| | 11,550 | 12,200 |

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 2018

| | 2018 \$ | 2017 \$ |
|--|----------------|----------------|
| NOTE 8: CASH & CASH EQUIVALENTS | | |
| Cash on Hand | 222 | 532 |
| Cash Held at Call: | | |
| Cash with Members and Education Credit Union | 17,958 | 14,489 |
| Cash with Laboratories Credit Union | 28,752 | 7,080 |
| Cash on Deposit: | | |
| Deposits with Members and Education Credit Union | 150,000 | 300,000 |
| Deposits with Laboratories Credit Union | - | 40,000 |
| Deposits with ME Bank | <u>350,000</u> | <u>200,000</u> |
| | <u>546,932</u> | <u>562,101</u> |
| NOTE 9: RECEIVABLES | | |
| Receivables from other reporting units: | | |
| Receivables from CPSU - PSU Group | 2,175 | 2,036 |
| Less provision for doubtful debts | <u>-</u> | <u>-</u> |
| Receivables from other reporting units (net) | <u>2,175</u> | <u>2,036</u> |
| Other Receivables: | | |
| Sundry Debtors | 545 | 1,753 |
| Accrued Interest | <u>6,765</u> | <u>7,394</u> |
| Total Other Receivables | <u>7,310</u> | <u>9,147</u> |
| | <u>9,485</u> | <u>11,183</u> |
| NOTE 10: FINANCIAL ASSETS | | |
| Available for Sale Financial Assets: | | |
| Shares in Laboratories Credit Union | 10 | 10 |
| Managed Funds Investments | <u>972,184</u> | <u>948,805</u> |
| | <u>972,194</u> | <u>948,815</u> |
| NOTE 11: OTHER ASSETS | | |
| Prepayments | <u>-</u> | <u>1,296</u> |
| | <u>-</u> | <u>1,296</u> |

CSIRO STAFF ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

| | 2018 | 2017 |
|---------------------------------------|----------------|----------------|
| | \$ | \$ |
| NOTE 12: PLANT & EQUIPMENT | | |
| Office Furniture & Equipment | 10,630 | 10,630 |
| Less: Accumulated Depreciation | <u>(9,254)</u> | <u>(8,682)</u> |
| | <u>1,376</u> | <u>1,948</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 | 1,948 | 2,264 |
| Additions | - | 1,089 |
| Disposals | - | - |
| Depreciation | <u>(572)</u> | <u>(1,405)</u> |
| Carrying amount at end of year | <u>1,376</u> | <u>1,948</u> |

NOTE 13: ACCOUNTS PAYABLE

| | | |
|---|----------------|----------------|
| Payables to other reporting unit: | | |
| CPSU - PSU Group | <u>420,554</u> | <u>212,972</u> |
| Total Payables to other reporting unit | <u>420,554</u> | <u>212,972</u> |
| Other Payables: | | |
| Sundry | | |
| Creditors | 9,784 | 10,146 |
| Consideration to employers for payroll deductions | - | - |
| Legal costs | <u>-</u> | <u>-</u> |
| Total Other Payables | <u>9,784</u> | <u>10,146</u> |
| | <u>430,338</u> | <u>223,118</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 2018

| | 2018 | 2017 |
|--|----------------|----------------|
| | \$ | \$ |
| NOTE 15: PROVISIONS | | |
| Current | | |
| Employee Benefits - short term benefits at nominal value: | | |
| Provision for Annual Leave | 91,182 | 88,796 |
| Provision for Long Service Leave Oncosts | 39,324 | 37,798 |
| Provision for Separation and Redundancies | - | - |
| Provision for Other Employee Benefits | - | - |
| | <u>130,506</u> | <u>126,594</u> |
| (a) Provision for Annual Leave in respect to: | | |
| Elected Officials | 17,614 | 21,720 |
| Administrative and Industrial Staff | 73,568 | 67,076 |
| | <u>91,182</u> | <u>88,796</u> |
| (b) Provision for Long Service Leave Oncosts in respect to: | | |
| Elected Officials | 8,899 | 8,987 |
| Administrative and Industrial Staff | 30,425 | 28,811 |
| | <u>39,234</u> | <u>37,798</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 | 45,597 | 31,100 |
| - later than one year but not later than five years | 153,546 | - |
| | <u>199,143</u> | <u>31,100</u> |

The lease relates to the premises at Level 7, 350 Queen Street, Melbourne which commenced on 1 December 2017 for a term of 5 years.

CSIRO STAFF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

2018
\$ **2017**
\$

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 | 222 | 532 |
| Cash Held at Call with Credit Unions | 46,710 | 21,569 |
| Cash on Deposits with Credit Unions | <u>500,000</u> | <u>540,000</u> |
| | <u>546,932</u> | <u>526,101</u> |

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

| | | |
|---|------------------|------------------|
| Operating loss for the year | (265,853) | (255,216) |
| Non-cash flows in operating profit | | |
| Depreciation | 572 | 1,405 |
| Loss on Disposal of Plant and Equipment | - | |
| Investment Distributions | (64,013) | (49,640) |
| Impairment Loss/(Gain) | - | - |
| Changes in assets and liabilities | | |
| (Increase)/Decrease in Receivables | 1,697 | 6,309 |
| (Increase)/Decrease in Other Assets | 1,296 | (1,296) |
| Increase/(Decrease) in Accounts Payable | 207,220 | 97,122 |
| Increase/(Decrease) in Other Liabilities | - | - |
| Increase/(Decrease) in Employee Provisions | <u>3,912</u> | <u>7,343</u> |
| Net Cash Provided by/(Used in) Operating Activities | <u>(115,169)</u> | <u>(193,973)</u> |

(c) Financing Facilities

The Section has no overdraft facilities.

CSIRO STAFF ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

| | 2018 \$ | 2017 \$ |
|---|-------------|-------------|
| (d) Receipts and Payments to Other Reporting Units/Controlled Entity | | |
| Receipts from CPSU - PSU Group | 8,949 | 5,256 |
| Payments to CPSU - PSU Group | (1,337,609) | (1,392,105) |

CSIRO STAFF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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 2018.

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 2018

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 | |
|------------------------------------|----------------------|------------------|---------------------------------|----------|----------------------|----------------|------------------------|---------------|---------------------|----------------|
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 |
| | \$ | \$ | % | % | \$ | \$ | \$ | \$ | \$ | \$ |
| Financial Assets | | | | | | | | | | |
| Cash and Bank Deposits | 546,932 | 562,101 | 2.50 | 2.70 | 222 | 532 | 46,710 | 21,569 | 500,000 | 540,000 |
| Managed Funds | 972,194 | 948,815 | - | - | 972,194 | 948,815 | - | - | - | - |
| Receivables | 9,485 | 11,183 | - | - | 9,485 | 11,183 | - | - | - | - |
| Total Financial Assets | 1,528,611 | 1,522,099 | - | - | 981,901 | 960,530 | 46,710 | 21,569 | 500,000 | 540,000 |
| Financial Liabilities | | | | | | | | | | |
| Accounts Payable | 430,338 | 216,136 | - | - | 430,338 | 216,136 | - | - | - | - |
| Total Financial Liabilities | 430,338 | 216,136 | | | 430,338 | 216,136 | | | | |

(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 2018

NOTE 21: FINANCIAL INSTRUMENTS *continued*

(c) Market Risk *continued*

| 2018 | Total Carrying Value | Interest Rate Risk | | | | Price Risk | | | | Return Risk | | | |
|------------------------------|----------------------|--------------------|---------|--------|--------|------------|-----------|--------|---------|-------------|----------|--------|--------|
| | | -1% | -1% | +1% | +1% | -20% | -20% | +20% | +20% | -2% | -2% | +2% | +2% |
| | | Profit | Equity | Profit | Equity | Profit | Equity | Profit | Equity | Profit | Equity | Profit | Equity |
| Financial Assets | | | | | | | | | | | | | |
| Cash and Bank Deposits | 546,932 | (5,469) | (5,469) | 5,469 | 5,469 | - | - | - | - | - | - | - | - |
| Managed Funds | 972,194 | - | - | - | - | (194,438) | (194,438) | - | 194,438 | (19,444) | (19,444) | 19,444 | 19,444 |
| Receivables | 9,485 | - | - | - | - | - | - | - | - | - | - | - | - |
| Financial Liabilities | | | | | | | | | | | | | |
| Accounts Payable | 430,338 | - | - | - | - | - | - | - | - | - | - | - | - |

| 2017 | Total Carrying Value | Interest Rate Risk | | | | Price Risk | | | | Return Risk | | | |
|------------------------------|----------------------|--------------------|---------|--------|--------|------------|-----------|--------|---------|-------------|----------|--------|--------|
| | | -1% | -1% | +1% | +1% | -20% | -20% | +20% | +20% | -2% | -2% | +2% | +2% |
| | | Profit | Equity | Profit | Equity | Profit | Equity | Profit | Equity | Profit | Equity | Profit | Equity |
| Financial Assets | | | | | | | | | | | | | |
| 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 | - | - | - | - | - | - | - | - | - | - | - | - |
| Financial Liabilities | | | | | | | | | | | | | |
| Accounts Payable | 216,136 | - | - | - | - | - | - | - | - | - | - | - | - |

CSIRO STAFF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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 |
|------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| | 2018 | 2018 | 2017 | 2017 |
| Financial Assets | \$ | \$ | \$ | \$ |
| Receivables | 6,998 | 2,487 | 9,430 | 1,753 |

Ageing of financial assets that were not impaired

| | <30 days | 31 – 60 days | 61 – 90 days | > 90 days | Total |
|-------------|----------|--------------|--------------|-----------|--------|
| | \$ | \$ | \$ | \$ | \$ |
| 2018 | | | | | |
| Receivables | 6,998 | - | - | 2,487 | 9,485 |
| 2017 | | | | | |
| Receivables | 9,430 | - | - | 1,753 | 11,183 |

(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 2018.

(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 2018**

NOTE 22: FAIR VALUE MEASUREMENT

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

| Economic Entity | Total Carrying Value | | Fair Value | |
|------------------------------------|----------------------|------------------|------------------|------------------|
| | 2018 | 2017 | 2018 | 2017 |
| | \$ | \$ | % | % |
| Financial Assets | | | | |
| Cash and Bank Deposits | 546,932 | 562,101 | 546,932 | 562,101 |
| Managed Funds | 972,194 | 948,815 | 972,194 | 948,815 |
| Receivables | 9,485 | 11,183 | 9,485 | 11,183 |
| Total Financial Assets | 1,528,611 | 1,522,099 | 1,528,611 | 1,522,099 |
| Financial Liabilities | | | | |
| Accounts Payable | 430,338 | 216,136 | 430,338 | 216,136 |
| Total Financial Liabilities | 430,338 | 216,136 | 430,338 | 216,136 |

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 |
|---------------------------|----------------------------|-------------------|---------|---------|---------|
| | \$ | | \$ | \$ | \$ |
| 2018 | | | | | |
| Financial Assets | | | | | |
| Managed Funds Investments | 972,194 | 30/06/2018 | 972,194 | - | - |
| 2017 | | | | | |
| Financial Assets | | | | | |
| Managed Funds Investments | 948,815 | 30/06/2017 | 948,815 | - | - |

CSIRO STAFF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

NOTE 23: 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 month 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 2018, the Section has not recorded any impairment of receivables relating to amounts owed by other reporting units (2017: \$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 24: SUBSEQUENT EVENTS

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

CSIRO STAFF ASSOCIATION

OFFICER DECLARATION STATEMENT

I, Sam Popovski, being the Secretary of the Committee of Management of the CSIRO Staff Association, declare that the following activities did not occur during the reporting period ending 30 June 2018.

The reporting unit did not:

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive capitation fees from another reporting unit
- receive revenue via compulsory levies
- receive donations or grants
- receive revenue from undertaking recovery of wages activity
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay capitation fees to another reporting unit
- pay compulsory levies
- pay legal costs relating to litigation
- pay legal costs relating to other legal matters
- pay a penalty imposed under the RO Act or the Fair Work Act 2009
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a payable in respect of legal costs relating to litigation
- have a payable in respect of legal costs relating to other legal matters
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit.



Mr Sam Popovski

Secretary, CSIRO Staff Association

Dated this 7th day of November 2018.