



Australian Government
Australian Industrial Registry

Level 5, 11 Exhibition St, Melbourne Vic 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7990
Fax: (03) 9655 0410

Ms Toni Walkington
Branch Secretary
CPSU, the Community and Public Sector Union - SPSF Group
Western Australian Branch
445 Hay St
PERTH WA 6000

Dear Ms Walkington,

By email: postbox@cpsucsa.asn.au

Re: Financial Documents for year ended 30 June 2006 - FR2006/363
Schedule 1 - Workplace Relations Act 1996 (RAO Schedule)

I have received the financial report for the WA Branch of the SPSF Group of the CPSU for year ended 30 June 2006. The report was lodged in the Registry on 29 January 2007.

In addition, on 4 May 2005 I received the Operating Report for these accounts.

The documents have been filed.

The following points should be taken into account in future financial years – no further action is required with respect to the lodged documents.

Operating Report

In future years please ensure that an Operating Report is always lodged in the Registry with the full financial report in accordance with sections 253, 254, 265 and 268 of the RAO Schedule and Regulation 159 of the RAO Regulations.

Auditor's Report

The Auditor's Report should always clearly state whether the financial report was resented 'fairly' as required by s257 of the RAO Schedule. The following wording is considered to satisfy s257:

In my/our opinion the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of Schedule 1 (RAO Schedule) of the Workplace Relations Act 1996.

The Auditor's Report should also state the auditor's professional qualification(s).

If you have any queries please contact me on (03) 8661 7799.

Yours faithfully,

Andrew Schultz
Statutory Services Branch

4 May 2007



Community & Public Sector Union Civil Service Association of WA

Community & Public Sector Union
SPSF Group, WA Branch
Civil Service Association of WA Inc

www.cpsucsa.org

UnionLink: 1300 733 800
Email: postbox@cpsucsa.org
Reception: 08 9323 3800
Fax: 08 9323 3878

Address: 445 Hay St, Perth, WA, 6000
Mail: GPO Box X2252, Perth, WA, 6847

Your Ref: _____

Our Ref: _____
(please quote this reference in correspondence)

Mr Andrew Schulta
Statutory Services Branch
Australian Industry Registry
GPO Box 1994
MELBOURNE VIC 3001

26 April 2007

FR 2006/363

Dear Mr Schultz

FINANCIAL DOCUMENTS FOR YEAR ENDED 30 JUNE 2006 – FR2006/363

SCHEDULE 1 – WORKPLACE RELATIONS ACT 1996 (RAO SCHEDULE)

Please find attached the WA Branch of the SPSF Group of the CPSU
Operating Report for the year ended 30 June 2006.

Apologies for not forwarding this report earlier.

Yours sincerely

Toni Walkington
Branch Secretary



OPERATING REPORT
WA BRANCH OF THE SPSF GROUP of the CPSU FOR YEAR ENDED
30 JUNE 2006

In accordance with s254 of the Workplace Relations Act 1996, your Committee of Management reports as follows:

Principal Activities

The principal activity of the Organisation during the year was that of a registered trade union. No significant change occurred in the nature of those activities during the year,

Operating Result

The Organisation operates on a break-even basis with Revenue matching expenditure for the year ended 30 June 2006.

Significant Changes

There was no significant change in the financial affairs of the Organisation during the year.

Rights of Members

Subject to the Rules of the Organisation and s174 of the Act, members have the right to resign from membership of the Organisation by written notice addressed to and delivered to the Branch Secretary of the Organisation.

Superannuation

Committee Member, Derek Spray, is a current Board member of the "State Government Employees Superannuation Board", an exempt public sector superannuation scheme.

Other Prescribed Information

In accordance with Regulation 159 of the Workplace Relations (Registration and Accountability of Organisations) Regulations –

- (a) the number of persons that were at the end of the financial year recorded in the register of members for s230 of the RAO Schedule and who are taken to be members of the Organisation under s244 of the RAO Schedule was 13,632.
- (b) the number of persons who were at the end of the financial year employees of the Organisation, including both full-time and part-time employees measured on a full-time equivalent basis were 0.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP,
WA BRANCH**

**OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2006 continued**

Other Prescribed Information (continued)

- (c) the names of those who have been members of the Committee of Management of the Organisation at any time during the financial year and the periods for which he or she held office were –

Period of Office – 1 July 2005 to 30 June 2006

POSITION HELD	GIVEN NAMES	SURNAME
PRESIDENT	BRENDON HARLEY	HEWSON
BRANCH SECRETARY	TONI BEVERLEY	WALKINGTON
ASSISTANT SECRETARY	JOANNE MARGARET	GAINES
TREASURER	PHILLIP RALPH	MCGUINNESS
VICE-PRESIDENT	BRIAN	ELLIS
VICE PRESIDENT	LEANNE	MCKAY
COUNCILLOR	PHILIP MICHAEL	GOULDING
COUNCILLOR	GARRY ARNOLD	HODGEN
COUNCILLOR	DEREK KENNETH	WINTERS
COUNCILLOR	KEVIN RICHARD	TRENT
COUNCILLOR	BETHANY ERIN	CONWAY
COUNCILLOR	JOANNE MARGARET	DORAHY
COUNCILLOR	MURRAY ALAN	HOGARTH
COUNCILLOR	CLINTON HECTOR	FLOATE
COUNCILLOR	COLIN FRANCIS	BEST
EXECUTIVE	DENISE PAULINE	HENDEN
COUNCILLOR	CAROL LORRAINE	DURANT
COUNCILLOR	BRUCE MICHAEL	HAWKINS
COUNCILLOR	PHILIP PETER	CHILTON
COUNCILLOR	MAUREEN	ARMSTRONG
COUNCILLOR	KELVIN	LEEK
COUNCILLOR	RAYMOND JOHN	WHITE
COUNCILLOR	ROBERT	LOOTEN
COUNCILLOR	IAN WILLIAM	GORMAN
COUNCILLOR	BRIAN JOHN	DODDS
COUNCILLOR	GUY	WROTH
COUNCILLOR	TERRANCE JOHN	MILLER
COUNCILLOR	GRAEME JOHN	MCCULLAGH
COUNCILLOR	DEXTER	WALFORD
COUNCILLOR	GREGORY MICHAEL	JOHNSON
COUNCILLOR	DEREK	SPRAY

POSITION HELD	GIVEN NAMES	SURNAME
PROXY COUNCILLOR	BALAN	MANOHAR
PROXY COUNCILLOR	ANTHONY LEE	NEWTON
PROXY COUNCILLOR	VICKI MARGARET	LAMBERT
PROXY COUNCILLOR	JOHN RONALD	OTTAWAY
PROXY COUNCILLOR	YVONNE	CUMMING

Other Relevant Information

Nil

Signed for and on behalf of the Committee of Management –

Date: *26 April 2007*


Toni Walkington
Branch Secretary



Australian Government
Australian Industrial Registry

Level 5, 11 Exhibition St, Melbourne Vic 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7990
Fax: (03) 9655 0410

Ms Toni Walkington
Branch Secretary
CPSU, the Community and Public Sector Union - SPSF Group
Western Australian Branch
445 Hay St
PERTH WA 6000

Dear Ms Walkington,

By email: postbox@cpsucsa.asn.au

Re: Financial Documents for year ended 30 June 2006 - FR2006/363

Schedule 1 - Workplace Relations Act 1996 (RAO Schedule)

I have received the financial report for the WA Branch of the SPSF Group of the CPSU for year ended 30 June 2006. The documents were lodged in the Registry on 29 January 2007.

The documents have not yet been filed because no Operating Report has been lodged.

Operating Report

Please lodge an *Operating Report* under s254 of the RAO Schedule and RAO Regulation 159 as soon as possible.

Failure to lodge an Operating Report is a civil penalty provision – see s305 of the RAO Schedule.

A copy of s254 and RAO Regulation 159 is attached for your assistance together with a sample Operating Report.

Please also note that the Operating Report replaces the *Accounting Officer's Certificate* which is no longer required.

The next point is provided to assist you in future years:

Auditor's Report

The Auditor's Report did not expressly state whether the accounts were presented 'fairly' as required by s257 of the RAO Schedule. In future years the opinion in the Auditor's Report should be reworded to take this into account. The following wording is considered to comply with s257:

In my/our opinion the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of Schedule 1 (RAO Schedule) of the Workplace Relations Act 1996.

The Auditor's Report should also state the auditor's professional qualification(s).

If you have any queries please contact me on (03) 8661 7799.

Yours faithfully,

Andrew Schultz
Statutory Services Branch

30 January 2007

s254 RAO Schedule - Reporting unit to prepare operating report

(1) As soon as practicable after the end of each financial year, the committee of management of a reporting unit must cause an operating report to be prepared in relation to the financial year.

(2) The operating report must:

(a) contain a review of the reporting unit's principal activities during the year, the results of those activities and any significant changes in the nature of those activities during the year; and

(b) give details of any significant changes in the reporting unit's financial affairs during the year; and

(c) give details of the right of members to resign from the reporting unit under section 174; and

(d) give details (including details of the position held) of any officer or member of the reporting unit who is:

(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; and

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; and

(e) contain any other information that the reporting unit considers is relevant; and

(f) contain any prescribed information.

(3) To avoid doubt, the operating report may be prepared by the committee of management or a designated officer.

Note: This section is a civil penalty provision (see section 305).

Regulation 159 - Workplace Relations (RAO) Regulations 2003

Reg 159 - Prescribed information contained in operating report (RAO Schedule, s 254 (2) (f))

For paragraph 254 (2) (f) of the RAO Schedule, the following information is prescribed:

(a) the number of persons that were, at the end of the financial year to which the report relates, recorded in the register of members for section 230 of the RAO Schedule and who are taken to be members of the reporting unit under section 244 of the RAO Schedule;

(b) the number of persons who were, at the end of the financial year to which the report relates, employees of the reporting unit, where the number of employees includes both full-time employees and part-time employees measured on a full-time equivalent basis;

(c) the name of each person who has been a member of the committee of management of the reporting unit at any time during the reporting period, and the period for which he or she held such a position.

SAMPLE OPERATING REPORT

9.

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, SPSF GROUP, QUEENSLAND BRANCH

OPERATING REPORT FOR THE YEAR ENDED JUNE 30 2005

In accordance with sec. 254 of the Workplace Relations Act 1996, your Committee of Management reports as follows:

Principal Activities

The principal activity of the Organization during the year was that of a registered trade union. No significant change occurred in the nature of those activities during the year.

Operating Result

The operating result of the Organization for the year ended 30 June 2005 was a deficit of \$37,725 (\$5,514 2004). No provision for tax was necessary as the Organization is considered exempt.

Significant Changes

There was no significant change in the financial affairs of the Organization during the year.

Rights of Members

Subject to the Rules of the organization and sec. 174 of the Act, members have the right to resign from membership of the Organization by written notice addressed to and delivered to the Branch Secretary of the Organization.

Superannuation Office-holders

No officers and/or members of the Organization are directors of companies that are trustees of superannuation funds that require one or more of their directors to be a member of a registered organization.

Other Prescribed Information

In accordance with Regulation 159 of the Workplace Relations (Registration & Accountability of Organizations) Regulations -

(a) the number of persons that were at the end of the financial year recorded in the register of members for sec. 230 of the RAO Schedule and who are taken to be members of the Organization under sec. 244 of the RAO Schedule was 25,682;

(b) the number of persons who were at the end of the financial year employees of the Organization including both full-time and part-time employees measured on a full-time equivalent basis were 0;

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, SPSF GROUP, QUEENSLAND BRANCH

OPERATING REPORT
FOR THE YEAR ENDED JUNE 30 2005 (Continued)

Other Prescribed Information (continued)

(c) the names of those who have been members of the Committee of Management of the Organization at any time during the financial year and the periods for which he or she held office were -


Name	Period:
J. Morris	- 1/7/04 - 30/6/05
A. Scott	- 1/7/04 - 30/6/05
B. McCreddie	- 1/7/04 - 30/6/05
L. Haigh	- 1/7/04 - 30/6/05
I. Trail	- 1/7/04 - 16/8/05
A. Clarke	- 1/7/04 - 1/6/05
V. Doogan	- 1/7/04 - 30/6/05
F. Gray	- 1/7/04 - 30/6/05
M. Dempsey	- 1/7/04 - 30/6/05
M. Gordon	- 1/7/04 - 30/6/05
M. McCosker	- 1/7/04 - 30/6/05
L. McKay	- 1/7/04 - 30/6/05
G. Murray	- 1/7/04 - 30/6/05
R. Nilon	- 1/7/04 - 16/8/05
K. Rowe	- 1/7/04 - 30/6/05
R. McKarzel	- 1/7/04 - 16/8/05
K. Muston	- 16/8/04 - 30/6/05
R. Nilon	- 16/8/04 - 30/6/05
K. Rowe	- 16/8/04 - 30/6/05
R. McKarzel	- 16/8/04 - 30/6/05

Other Relevant Information

Nil

Signed for and on behalf of the Committee of Management -

Date: November 28 2005


 Alexander Patrick Scott
 Branch Secretary



Community & Public Sector Union Civil Service Association of WA

Community & Public Sector Union
SPSF Group, WA Branch
Civil Service Association of WA Inc

www.cpsucsa.org

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Mail: GPO Box X2252, Perth, WA, 6847

Mr Andrew Schultz
Statutory Services Branch
Australian Industrial Registry
GPO Box 1994
MELBOURNE VIC 3001

Your Ref: _____

Our Ref: _____
(please quote this reference in correspondence)

23 January 2007

Dear Mr Schultz

AR 20

**CPSU, the Community and Public Sector Union
SPSF Group, Western Australian Branch
Outstanding Annual Return of Information for Year 2006
Your Ref: AR2006/214**

In accordance with subsection 233(1) of the Registration and Accountability of Organisations Schedule (Schedule 1B to the *Workplace Relations Act 1996*), please find attached the information to be lodged in the Industrial Registry relating to records to be kept and maintained by the organisation under section 230 and regulation 147 of the Workplace Relations (Registration and Accountability of Organisations) Regulations.

Should you require any further information or clarification pertaining to the attached documents please do not hesitate to contact Esme Watson on (08)93233800 esme.watson@cpsucsa.org.

Yours sincerely

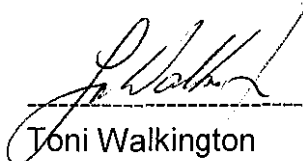
Toni Walkington
Branch Secretary

CERTIFICATE OF SECRETARY

Section 268 of Schedule 1B Workplace Relations Act 1996

I, Toni Beverley Walkington, being the General Secretary of the Civil Service Association of WA Inc, and the Branch Secretary of the Community and Public Sector Union SPSF Group (WA) Branch certify;

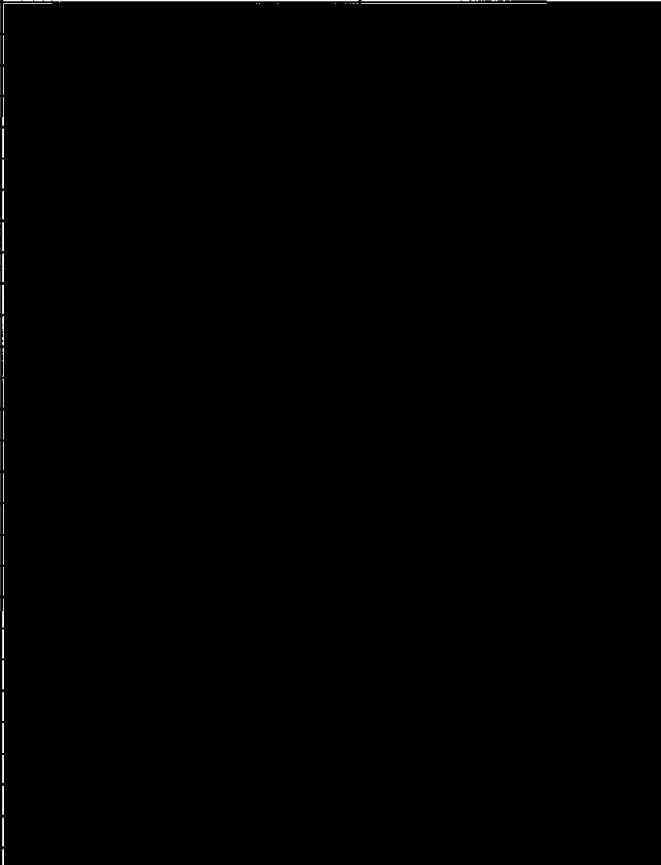
- that the documents lodged herewith are copies of the full report, referred to in section 268 of the RAO schedule; and
- that the full report was proceeded to the Committee of Management at a Committee of Management meeting on 13 September 2006 in accordance with the section 265 of the schedule and;
- that the full report was provided to members in October 2006 and;
- that the full report was presented to a Committee of Management meeting of the reporting unit on 9 January 2007 in accordance with section 266 of the schedule.



Toni Walkington

23 January 2007

OFFICE BEARERS - COMMUNITY AND PUBLIC SECTOR UNION/CIVIL SERVICE ASSOCIATION AS AT 1 JANUARY 2007

POSITION HELD	GIVEN NAMES	SURNAME	OCCUPATION	HOME ADDRESS	
PRESIDENT	BRENDON HARLEY	HEWSON	TECHNICAL OFFICER		
BRANCH SECRETARY	TONI BEVERLEY	WALKINGTON	INDUSTRIAL OFFICER		
ASSISTANT SECRETARY	JOANNE MARGARET	GAINES	INDUSTRIAL OFFICER		
TREASURER	PHILLIP RALPH	MCGUINNESS	ANALYST		
VICE PRESIDENT	LEANNE	MCKAY	LIBRARIAN		
COUNCILLOR	GARRY ARNOLD	HODGEN	STOCK INSPECTOR		
COUNCILLOR	DEREK KENNETH	WINTERS	FOREST OFFICER		
COUNCILLOR	KEVIN RICHARD	TRENT	SUPERVISOR		
COUNCILLOR	BETHANY ERIN	CONWAY	SPECIAL PROJECTS OFFICER		
COUNCILLOR	MURRAY ALAN	HOGARTH	ENVIRONMENTAL OFFICER		
COUNCILLOR	DENISE PAULINE	HENDEN	SCHOOL OFFICER		
COUNCILLOR	BRUCE MICHAEL	HAWKINS	CLERICAL OFFICER		
COUNCILLOR	PHILIP PETER	CHILTON	ADMISSIONS OFFICER		
COUNCILLOR	RAYMOND JOHN	WHITE	LIBRARIAN		
COUNCILLOR	ROBERT	LOOTEN	OFFICER		
COUNCILLOR	BRIAN JOHN	DODDS	DEVELOPMENT OFFICER		
COUNCILLOR	GUY	WROTH	RESEARCH OFFICER		
COUNCILLOR	TERRANCE JOHN	MILLER	SUPPLY OFFICER		
COUNCILLOR	GRAEME JOHN	MCCULLAGH	BUSINESS ANALYST		
COUNCILLOR	DEREK	SPRAY	MANAGER		
COUNCILLOR	ZORAN	TRAJKOVSKI	COURT OFFICER		
COUNCILLOR	STEHN	ASHLEY	CUSTOMER SERVICE OFFICER		
COUNCILLOR	HECTOR	O'LOUGHLIN	ABORIGINAL SUPPORT OFFICER		
COUNCILLOR	VANESSA JANE	BECKINGHAM	POLICY OFFICER		
COUNCILLOR	IAN ROSS	MCKERNAN	LABORATORY ASSISTANT		
COUNCILLOR	PATTI	BATTILANA	CLERICAL OFFICER		

POSITION HELD	GIVEN NAMES	SURNAME	OCCUPATION	HOME ADDRESS
PROXY COUNCILLOR	ANTHONY LEE	NEWTON	TECHNICAL OFFICER	[REDACTED]
PROXY COUNCILLOR	MICHEAL ERNEST	GULLAN	HOSTEL SUPERVISOR	
PROXY COUNCILLOR	RACHEL GAYE	DAVEY	EQUITY OFFICER	
PROXY COUNCILLOR	PHILIP MICHAEL	GOULDING	RESEARCH OFFICER	

CPSU/CSA Annual Report 2005-2006

General Agreement 3

Quality Public Sector

The General Agreement 3 (GA3) campaign was a priority for our Union given that the GA is the primary industrial agreement across our major area of coverage (approx 32, 000 public servants).

Delegates, Members and staff of our Union worked tirelessly to further the campaign and on the 26 July 06 the bulk of the agreement was finally registered with the WAIRC.

This is a vital outcome for our Members and the Public Sector in general as it enshrines a decent standard of living and protects the working conditions for our Members over the two year period covered by the agreement.

The GA3 represents the value of collective bargaining in workplace negotiations. The agreement also shows the importance of the award structure and our collective right to negotiate with the State Government, a right currently under threat from federal intervention.

The GA3 campaign does not exist in isolation but is part of our Union's commitment to a 'Quality Public Sector'. This concept is the driving force behind many of our campaign activities simply because, across the whole sector, Governmental attitudes are undermining the quality of the work our Members are capable of providing.

GA3- The Campaign

The Campaign commenced February 2005.

We employed an approach in the GA3 Campaign that focused resources into Membership, political and community campaigning.

Membership campaigning saw us achieving fantastic results with Members actively supporting the campaign and it also resulted in Membership growth.

- 35 key agencies were visited in the CBD, suburban and regional areas.

- 6815 Members and potential Members were spoken with and asked to commit to undertaking activities in support of the campaign. Activities included emailing the Premier, signing a petition, attending Membership meetings and specific agency initiatives

- 533 new Members were signed up on the post with many more coming in through the post and via Delegates.

Political Campaigning was carried out by small groups of Members meeting with their local State parliamentary representative to discuss the GA3 claim and the range of issues currently facing State Public Sector employees. MP's were asked to lobby on the Members behalf by writing to the State Government in support of the claim.

All 91 MP's were written to, requesting a meeting 29 MP's (both lower and upper house) chose to/were able to meet with ~83 Delegates.

7 MP's that had met with us indicated that they had written to the State Government on our Members' behalf.

Members and officials also targeted MP's on other occasions during the final stages of the campaign. Ministers were targeted with flyers about the campaign as they entered a Cabinet meeting in March 2006, and all MP's received material regarding "Quality Care Day" in March 2006.

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...GA3 continued from previous page

Community Campaigning

Preliminary stakeholder mapping was carried out with the input and assistance of Delegates at special GA3 EDC meetings in February 2006. More detailed mapping was then carried out as required, particularly in sectors that were directly affected by campaign activities.

When agency specific activities were undertaken, the peak community based/ non Government organisations were contacted. They were informed of the proposed activity and their support for the campaign was lobbied. All campaign activities were assessed on how they were going to impact on the wider community and how they would affect the community's level of support for the claim.

Community outreach to groups in the disability services sector was undertaken in conjunction with campaign activity ("Quality Care Day"). This resulted in an invitation to meet with the Disability Coalition and further develop our relationship with the NGOs in this sector. Contact was also made with the Student guilds and NUS resulting in strong support for specific activities during the campaign.

The process of community campaigning undertaken during the GA3 Campaign provided much positive feedback with valuable, active contacts being made in a range of organisations. Ongoing stakeholder mapping and contact has continued since the GA3 Campaign wound down, in order to further develop these beneficial relationships and identify and develop new ones.

Delegates

The role of Delegates was critical during the campaign. They were actively involved in the education campaigns undertaken and came together on a number of occasions to first endorse the claim and then to make decisions when offers were presented by Government. At every stage Delegates were asked to consult with their Members so the decisions they took at the meetings were reflective of the views of the wider Membership. This ensured that the final outcome was owned by Members.

The Ballot

The ballot had the highest return of any ballot ever undertaken by the Union and with 88% of Members voting yes, it was a clear demonstration that Members were active in the campaign.

Fed IR

Despite the Federal Government's \$50 million advertising campaign the negative impact of the Workchoices legislation is clearly evident.

The federal IR issue has been a momentous one for our Union in recent times. In March we have seen the commencement of the Howard Government's industrial relations laws despite considerable community opposition.

We recalled the negative consequences for the State Government sector during the 1990s when similar laws were enacted by the then State Government. With this experience to learn from we have been at the forefront of the campaign to defeat the attempt to reduce workers rights and our Members' determination to contribute to the ongoing 'Your Rights At Work' has been readily apparent over the course of the year.

The issues raised by the Workchoices legislation are simple. Do we want a system that is founded on principles of fairness and equity for all in our community or laws based on the interests of big business only?

As the year has worn on the first fruits of the legislation has emerged. Across the country we have seen sackings and wages lowered, all in a time of unprecedented economic growth. If there is any sort of economic downturn in the current IR environment the impact on Australian families and society in general will be extremely damaging.

Anecdotal evidence is already emerging of the dangers of treating individual workers as commodities: Unpaid voluntary work is already showing signs of a drop-off in numbers. Working longer hours for less money people simply have less time to contribute to society. When you consider that voluntary work might include community fire fighters or carers for the elderly or disadvantaged it is easy to understand just how broadly these changes are going to impact on the fabric of society if they go unchallenged.

Our Union's work on the Fed IR issue falls into several areas, the most obvious being our contribution to the ongoing 'Your Rights At Work' campaign conducted in concert with Unions WA and the ACTU.

Throughout the year our Union has been involved in almost weekly events. In November 2005 and again in June 2006, during the highly successful YRAW National Week of Action our Members have been part of massive rallies both in Perth and at various regional centres around the State.

As part of the National Week of Action our Union created the 'Workchoices: What's the problem' DVD. Our aim is to disseminate information about the new laws and seek the views of workers and the people they work with in the public and community. The DVD continues to be popular with people involved in the YRAW campaign as an invaluable communication aid at worksites all over WA.

We have worked with the State Government to ensure workers employed in State Government administration and services are protected from the negative consequences of the Howard Government's laws. The State Government has challenged the validity of the laws through the High Court. This is a critical challenge that may see the laws declared void or modified.

However the battle is not only about getting rid of the Howard Government's legislation but also about restoring a fair industrial relations system and determining what this would actually look like. We are a major contributor to the debate within the Union movement developing a model system.

As the next federal election draws closer the focus on all political parties and their positions and Statements around these matters is sharpened. Support for our vision of fair, equitable and flexible Industrial Relations system that supports both employee interests as well as those of the employer will be vital. We will continue to work with the political parties to secure support for our vision.

We can all be proud of our Union's contribution to the ongoing Federal IR campaign over the past year. A significant majority of Australians are strongly opposed to the legislation and our Union has played its role in the public awareness campaign that has focused public dissatisfaction with the legislation.

The feelings of our Members are clear. They consider the legislation to be damaging to them as individuals, bad for society and an attack on their basic human rights, hard won over many years, to bargain collectively with their employers.

Higher Ed – Activist Network

The difference between an average agreement and a good one is almost always in direct correlation between the levels of activism and involvement of Members in the corresponding campaign.

Workers in Higher Education and Universities are particularly vulnerable to the Howard Government's WorkChoices legislation. Now that the law removes any obligation on the employer to pay attention to our Union negotiators, there is a powerful need for a close-knit activist network.

The network was seen as a vital method of involving more workers in bargaining over wages and conditions. Bringing a large majority of workers into such a network would also underline to the employer just how truly representative we are of the views of workers.

As we commenced the year our Members were represented by a small group of dedicated representatives drawn from a limited number of work areas. Our challenge was to increase this number significantly.

As a result of our efforts each campus can now boast activist groups of 20 and over - a significant and valuable increase in a very short timeframe.

The value of the activist network is manifold.

We have increased our capacity to involve workers in our activities to support improvements in working conditions and oppose negative initiatives. This will be vital to the success of our campaign to restore fair industrial relations systems for employees regulated by federal law.

A powerful activist network is also valuable in enabling the Union to educate the workers and for the workers to educate and inform us.

With a large group to call on for solidarity and support there is far less pressure on the individual activist and a stronger sense of the Union presence within the workplace.

At the start of the bargaining process, our small group of existing activists got together with our Officials and Organisers over a weekend in February at the Union office.

We called every Member on every campus to discuss the need to commence bargaining with their employer to replace the soon to expire Enterprise Bargaining Agreements and the need for a more active Membership in the current Industrial Relations climate.

We asked every Member to become involved as a Union contact or be part of a campaign team. Everyone spoken to committed to support the campaign with 30% of people agreeing to become more active. The network formed into campaign teams of the more involved activists who now meet regularly to discuss ongoing issues and plan for the future.

Looking forward, we have a great opportunity with the support of the activist network to continue the process of educating the public about the negative consequences for workers and our society presented by the Howard Government's IR laws. By working together we can bring together a diverse group of individuals who are actively contributing to changing the laws to a system that works in the interests of employees and not just for employers.

Challenges that remain are to increase the coverage of our network until we have active representation in all work areas. It is important that we can engage in one on one discussion with every single worker on our campuses.

Dept for Community Development: No More Bandaid Solutions Campaign

The DCD Campaign has been running now for over ten years. The aim of the campaign has always primarily focused on improving service delivery to children and families at risk. We have witnessed over countless Reviews, Inquiries and Commissions investigate DCD after tragedies occur in the area of its responsibility, the latest of these being the Wade Scale Inquiry (findings released 9 Aug 06).

During 05/06 we badged the campaign with NO MORE BANDAID SOLUTIONS in an attempt to draw into sharp relief our point-of-view on the appalling patch-up jobs being done on DCD over the years. Actions in this campaign ranged from stop-work meetings and office closures, to media conferences and the publishing of a campaign blog at www.DCDdiary.org

Delegates and Members endorsed an action plan which set out clear objectives and timelines for Member action in the campaign. This galvanises crucial support for strategies we have employed and will continue to employ into the future.

DCD is a good example of why our Union ought participate in and even lead debate on social justice issues. Our Members in DCD work at the coalface with some of the most disadvantaged and at-risk children and families in our community. Their role confers authority for our Union to speak on child welfare issues.

Corrective Services and Community Justice

No more ass covering

As with many areas our Members work in, Corrective Services and Community Justice have been chronically under-funded over a long period of time. During the last reporting period matters came to a head after a number of incidents, one of which seriously endangered a prison employees welfare.

As a result of these incidents the Mahoney Inquiry was commissioned by the Government to identify the issues and propose solutions. In August 2005 following the collation of Member's contributions our Union furnished a comprehensive submission to the Inquiry.

When the Inquiry report was finally released it was obvious there were substantive issues with 148 Recommendations addressing all aspects of offender management.

Many of the issues raised by our Members as they faced unacceptable work conditions got the ball rolling on a vital reform process in this sector. Our Union's submission to the inquiry was exhaustive and our Member's concerns were strongly reflected in the report.

Both the Minister and Commissioner for Corrective Services have acknowledged the role our Union played in the reform process with the Commissioner commenting in April:

"...there was an ongoing need to involve the respective Unions in the reform process. Their involvement to date has been a critical factor in the operational focus of the reform program and the budget that has been delivered."

In late April 2006 \$100 million was allocated to the implementation of Justice Mahoney's recommendations, with the possibility of further funds on top of this 'foundation' if the necessity can be clearly demonstrated.

Since that time Delegates and Members of our Union have concentrated our efforts on encouraging the Government to act upon the recommendations contained in the Report.

Union efforts focused on pressuring the State Government to properly fund Justice Mahoney's key recommendations. The Government had hoped to delay matters until the State budget in May but sustained pressure from our Members led to announcements and funding availability in late April.

Whilst there are still many issues in the Corrective Services/Community Justice area still unresolved, most notably the need for workload benchmarking, we can all be proud of our Members and Delegates who have worked so hard in this area and have been the driving force behind desperately needed changes of vital benefit to all workers in this challenging employment sector.

Regional Activities

This year we led the registration of the first ever multi-Union cross-sector agreement on District Allowances. Previously covered by many different agreements with several Unions, the State Government issue has agreed to establish a common index of allowances for workers in regional and remote areas.

Linking back to the tenets of GA3: Quality Public Sector, this historic collaboration will help address problems rife in the recruitment and retention of staff in regional and remote areas. The agreement provides for a comprehensive review to be conducted that looks at the methodology used to calculate the allowances and the locations to which it is applied. This review will involve the cross-sector Unions.

This agreement between Government and multiple Unions highlights the benefits of Union Membership and grows the Union movement in WA, especially in regional & remote areas.

Workers Compensation

Our Union recovered benefits or other favourable workers compensation outcomes for fourteen of our Members. Twenty-five matters were referred to Ilbery's Lawyers for further assistance. Matters that are referred to Ilbery's are fluid and many are worked on both by our Union and by Ilbery's. Since late last year the procedures for dispute resolution in WorkCover, the tribunal for workers compensation disputes, has changed. This meant some delays and a period where no applications were accepted by WorkCover. This has meant fewer applications have been made by us than would normally occur. Our Union met with the Director of WorkCover to discuss some amendments to the new system to prevent unfair delays and the rejection of applications. Our Union has also been involved in discussions with the State Government in developing a Code of Practice on Occupational Safety and Health in the Public Sector.

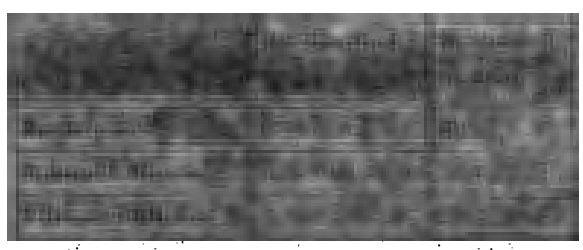
Schools Reclass Campaign

Frustrated by an employer who relentlessly shifts the goalposts and obfuscates procedural matters, the Schools Reclass Campaign (SRC) has nevertheless kangaroo-hopped around 1,580 Schools Members into higher classifications.

Early in the campaign we developed an electronic Workload Assessment tool to be used for all employees. We provided Members-only training on the use of an enhanced version of the tool via Members Meetings and WestLink TV Broadcasts.

Member activism, ranging from a rally in front of the Department to threatening a strike on the first day of School in Term 2 of 2006 has resulted in the reclassification of around 95% of Library Officers, 80% of Schools Officers and 70% of Registrars who applied for a review of their position. Members were more likely than non-Members to be reclassified by a factor of 4:1.

A final appeal process is underway shortly that may result in additional positions being reclassified.



UnionLink

A proactive Campaign Resource.

Throughout the year, UnionLink has continued in its core activity of assisting Members and Delegates with their workplace issues, with great success. Administration processes have been streamlined, and Delegate support increased so that resources are focused on resolving collective issues as much as possible – achieving results for more Members in the State Library, DHS, Valuer General's Office and DOCEP to name just a few.

In alignment with the Union's Strategic Plan, a Team Plan was implemented. UnionLink Organisers undertook UnionsWA training and on-the-ground workplace Organising outside of UnionLink to increase their experience and depth of knowledge. Performance benchmarks were set and achieved throughout the year.

More than a call centre, UnionLink has also evolved into a pro-active campaign resource. Through outbound calling our Union has been able to effectively disseminate information about Federal Industrial Relations changes, the GA3 and Agency-specific campaigns. We have also used one-to-one

communication to give hundreds of Members the opportunity to actively participate in these campaigns.

"This method of promoting education and campaign activity has given us amazing results," says UnionLink Coordinator Louise Judge. "Over 70% of Members contacted have chosen to participate in one or another campaign."

In the coming year UnionLink aims to increase its profile as a campaign tool, becoming even more integrated into campaign strategies.

Acacia Prison

Enterprise Bargaining Agreement

With a change in the contractors who operate WA's only private prison we faced a challenge to ensure that the existing workers kept their jobs and their wages and conditions were not reduced. During the year we have worked with the Government department that manages the contract arrangements with the private operators and monitors the operations of the private prison. Our aim is to ensure that the use of private providers of Government services does not diminish the quality of operations and the wages and conditions of employees.

In May 2006 Serco took over the management of the prison from AIMS which coincided with the expiry of the current Agreement setting wages and conditions.

Due to the private management of the prison, workers at the facility are covered by federal law and are not legally entitled to the protection of a WA State award wage.

With the need to establish ourselves with the new operator our Delegates James and Eddie Fallens, Paul Barry and Bob Burchell who, along with Brendan Cusack swung into action and negotiated the new agreement with the new management.

Our Members have entered into an agreement with Serco which provides for CPI (Perth) related pay rises in September 2006 and again in September 2007 with job security and conditions retained.

WaterCorp

We beat the Federal Government to the punch

The rights and entitlements of employees in the Water Corporation were immediately affected by the Howard Government's Industrial Relations legislation. With bargaining for wage increases and conditions due to come up in 2006 we were looking down the barrel of bargaining with little power.

After an exhaustive analysis and examination of the legislation, we decided to utilise the provisions that allowed for Pre-reform Certified Agreements. This strategy meant striking a new Certified Agreement, so as to stave off the application of the new laws for the maximum amount of time.

It was a race to get the new Agreement up and running before the new laws commenced in March 2006. We conducted an education campaign so that all Members in WaterCorp would understand the significance of the issue. Members had access to information and material about the impact of the new laws would have on bargaining processes and how this would change their environment.

With employer won and through the tireless efforts of Members, Delegates and Union staff, we were able to ballot and register a Pre-reform Certified Agreement which will apply through to December 2007. Through this effort, Members have retained all of the conditions and salaries. The Agreement has preserved many conditions that are no longer allowed in Agreements and Awards including classification structures, the right to paid attendance at Union training, the right to shift and overtime allowances, and annual leave. Members have won pay increases of 4% in April 2006 and 2007.

Our Agreement is secure for the coming year, but it will require vigilance and active Membership to face the challenges leading up to the next round of bargaining in late 2007.

Industrial Services Group

Our Industrial Services Group (ISG) represents Members in individual and collective matters before industrial tribunals and in negotiations with employers. ISG, in co-operation with Unionlink, assist Individual Members with disciplinary and performance management matters.

ISG negotiate Industrial agreements and register them with the Industrial Relations Commission (IRC), this includes the new General Agreements.

As well as assisting individual Union Members, in the past year ISG has:

- assisted the successful schools reclassification campaign when the IRC intervened;
- initiated the prosecution of Murdoch University in the Industrial Magistrates Court for alleged breaches of an Industrial agreement;
- updated award based allowances for inflation;
- modernized CPSU/CSA Awards;
- researched the claim for the new specified callings campaign;
- represented injured Members before the new workers compensation tribunal;
- Represented the Union and its Members on various representative bodies.

In all we handled 300 individual matters for Union Members during the year.

Examples of cases in which ISG assisted individual Union Members are:

- Reclassification appeals in the WA IRC including that of Conciliation Officers in the Equal Opportunity Commission, the result being reclassification from Level 5 to Level 6;
- Conversion of fixed-term contract employees to permanent employment;
- Overturning decisions to dismiss Union Members.

Publicity Office

The changing face of our Union

Perhaps the most important role for our Union's publicity office is in providing campaign support. When the Union communicates with its Members Publicity works hard to reinforce and focus the message with appropriate design and typography.

Last year Publicity has continued to integrate the Union's branding into all areas of communication to give a consistent and appropriate look and feel to all our 2D and 3D design work.

As a result of the ongoing efforts towards branding consistency our Union presence in the media has had increasing impact over the current reporting period. There is also increasing recognition of the Union within the Public sector itself.

Publicity has worked hard with Union staff to integrate into individual Union campaigns appropriate visual metaphors that help to explain the Union's position and to excite media attention, a vital factor when promoting our Members' position in the public arena.

The Union website (cpsucsa.org) has moved ahead in leaps and bounds over the last 12 months. The look of the site has become an increasingly colourful and user-friendly web portal and provides a substantial and growing body of information both written and visual as well as a large stock of downloadable documents.

The Joomla content management system that now underlies our site allows for easy access for web management and means that we provide to our Members a much more comprehensive, interactive and valuable resource than was possible in the past.

This year Publicity produced two documentary videos for the ACTU Your Rights at Work campaign, one in conjunction with UnionsWA and the other in association with the LHMU and the SSTU. Screened at morning teas and barbecues, these joint Union productions have reached thousands of workers across the State, increasing awareness of the dire threats posed by WorkChoices and generating support for the ACTU campaign.

The Publicity office continues to expand the services it can offer to reinforce the messages our Union wants to communicate. On top of expertise in graphic design, web publishing, written communication, video and filmmaking, Publicity now has improved capacity in 2D visual media such as cartooning and illustration.

New Membership System

With the advent of technology based communications and the need for rapid responses in our increasingly fast environment our Membership database system's limitations were realised in late 2005. We reviewed our needs and concluded that we needed a more powerful database system that was capable of exploiting new technologies.

We evaluated a range of systems and selected a new system that is both powerful and flexible. The new system will provide improved recording and reporting of Members' contacts with the Union Office and our Membership Service Centre, UnionLink. In addition we will be able to track our involvement in campaign activities and evaluate the effectiveness of our campaigns and day to day work.

Our Executive and Council Committees, the governing bodies of the Union, now receive comprehensive reports on a range of matters concerning our activities.

CSA Centre

The year saw improvements to the building as we acquired new tenants, Spark & Cannon, on the whole of Level 2, with the Greens Party offices moving to refurbished premises on the Ground Floor. New security measures put in place as a result of last year's break-ins have proven very effective. Other tenancies have remained stable, with WASO reporting that their ticketing office, fronting Hay Street, is very well patronised and the ground floor newsagency also reporting increasing business. With half a floor remaining to lease, and significant interest from prospective tenants, we expect to achieve full occupancy over the next few months.

The East End of Hay Street is rapidly becoming one of the most fashionable areas of the central city. Several

cafes, hotels and pubs in the area have been remodelled and there is a great deal of large scale development happening, including the new Central Law Court complex. The area appears to be in the midst of a major revival, and is like to attract even more attention as the new developments are completed. For Members, this means the value of our major capital asset, CSA Centre, has increased substantially.

The CSA offices themselves have not been refurbished since the early 80s. With this in mind, we have commenced the initial stages of planning and consultation with a view to updating the offices over the coming three years.

UFS

Over the current reporting period Union Financial Services has entered into a relationship with a new credit service provider in Credit Union Australia. Our former provider Australian National Credit Union was taken over by the CUA and this change will provide tangible benefits for our Members as, by virtue of the merger, CUA is now the largest credit Union in Australia.

Through CUA, Union Financial Services will offer a comprehensive range of services as well as providing special offers only available to our Members.

CSI

At the start of this year CSI commenced discussions with the insurance underwriter in relation to the declining volume of insurance renewals and new policies.

In December CSI commenced as an agent with a new underwriter, Vero Insurance Limited. Formerly known as Royal & Sun Alliance Insurance Australia Limited, Vero is part of an insurance group dating back over 170 years. Vero is also part of the Promina Group which has been listed on the ASX since 2003.

Through working with Vero, CSI is now in a position to offer highly competitive premiums, flexible, individually tailored services as well as special offers for our Members.

Over the transition CSI has been able to maintain its business relationship with over 80% of its Members, an extremely high retention rate. Looking forward CSI is positioned to increase Membership and expand its services to suit the insurance needs of our Members.

Ilberys

This year Ilberys Lawyers continue to provide an extensive package of legal services to Members and their families. Ilberys provide a broad range of legal services including business and banking, licensing, criminal law, family law, health and injuries, industrial relations and employment.

Over the year, Ilberys received 850 enquiries from our Members. Some only required the free half hour of advice provided. Others decided not to proceed with action after consulting with Ilberys. Around 10% went on to use legal representation.

**COMMUNITY AND PUBLIC SECTOR
UNION – SPSF GROUP (WA BRANCH)
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2006**

FR 2006/363

**COMMUNITY AND PUBLIC SECTOR UNION – SPSF GROUP
(WA BRANCH)**

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**INDEPENDENT AUDIT REPORT ON THE FINANCIAL REPORT
TO MEMBERS OF COMMUNITY AND PUBLIC SECTOR UNION
(SPSF GROUP) – WA BRANCH**

We have audited the accompanying financial report of Community and Public Sector Union (SPSF Group) – WA Branch for the year ended 30 June 2006. The financial report comprises the balance sheet at 30 June 2006, and the income statement, statement of changes in equity, cash flow statement, summary of significant accounting policies and other explanatory notes.

Committee Members' Responsibility for the Financial Report

The union's committee of management and the accounting officer of the union are responsible for the preparation and fair presentation of the financial report in accordance with Accounting Standards in Australia and the Workplace Relations Act 1996. This responsibility includes: designing, implementing and maintaining internal control 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Auditing Standards in Australia. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 judgment, 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 and fair presentation of the financial report 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, 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.



Auditor's Opinion

In our opinion the financial report of Community and Public Sector Union (SPSF Group) – WA Branch is in accordance with applicable Accounting Standards, the Workplace Relations Act 1996 and other mandatory financial reporting requirements in Australia, the financial position of the Community and Public Sector Union (SPSF Group) WA Branch as at 30 June 2006 and the results of its operations and its cash flows for the year the ended.

Dated the 23rd day of August 2006

HORWATH AUDIT (WA) PTY LTD

Horwath Audit

A handwritten signature in black ink, appearing to be "A.G. Bevan", written over a horizontal line.

A.G. BEVAN
Director

**COMMUNITY AND PUBLIC SECTOR UNION – SPSF GROUP
(WA BRANCH)**

STATEMENT BY THE ACCOUNTING OFFICER

I, TONI WALKINGTON, being the officer responsible for keeping the accounting records of the Community and Public Sector Union – SPSF Group (WA Branch), certify that as at 30 June 2006 the number of members of the Union was 13,632 (2005: 13,516).

In my opinion,

- (i) The attached accounts show a true and fair view of the financial affairs of the organisation as at 30 June 2006 and the result of operations for the period then ended;
- (ii) A register of members has, during the immediately preceding calendar year, been kept and maintained as required by section 230(1)(a) and section 230(2) of the Workplace Relations Act 1996;
- (iii) A copy of the records required to be kept under sections 230(1)(b), (c) and (d) of the Workplace Relations Act 1996, have been provided to the Industrial Registry as required by section 233 of the Workplace Relations Act 1996.

Dated at Perth this *22* day of August 2006.



T WALKINGTON

**COMMUNITY AND PUBLIC SECTOR UNION – SPSF GROUP
(WA BRANCH)**

CERTIFICATE BY THE COMMITTEE OF MANAGEMENT

The Committee of Management have determined that the organisation is a reporting entity. In accordance with a resolution of the Committee of Management, we state that in the opinion of the Committee:

- (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 Industrial Registrar;
- (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 RAO Schedule and the RAO Regulations; and
 - (iv) The information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - (v) There has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

Signed in accordance with a resolution passed by the Committee of Management

Dated at Perth this 31st day of August 2006.



T WALKINGTON



B HEWSON

**COMMUNITY AND PUBLIC SECTOR UNION – SPSF GROUP
(WA BRANCH)**

**INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006**

	Note	2006 \$	2005 \$
Revenue from continuing operations	3	399,083	340,206
Capitation fees – CPSU Federal Branch		(177,322)	(172,818)
Affiliation fees – ACTU		(30,807)	(29,422)
Other expenses from ordinary activities		(190,954)	(137,966)
Profit attributable to members of the union		<u>-</u>	<u>-</u>

The above income statement should be read in conjunction with the accompanying notes.

**COMMUNITY AND PUBLIC SECTOR UNION – SPSF GROUP
(WA BRANCH)**

**BALANCE SHEET
AS AT 30 JUNE 2006**

	2006	2005
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	-	-
TOTAL CURRENT ASSETS	-	-
TOTAL ASSETS	-	-
CURRENT LIABILITIES		
Unsecured Loan - Civil Service Association of WA Inc.	-	-
TOTAL CURRENT LIABILITIES	-	-
TOTAL LIABILITIES	-	-
NET ASSETS	-	-
EQUITY		
Retained Earnings	-	-
TOTAL EQUITY	-	-

The above balance sheet should be read in conjunction with the accompanying notes.

**COMMUNITY AND PUBLIC SECTOR UNION – SPSF GROUP
(WA BRANCH)**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2006**

	2006 \$	2005 \$
Total equity at the beginning of the financial year	_____	_____
Profit for the year	-	-
Total equity at the end of the financial year	_____	_____

The above statement of changes in equity should be read in conjunction with the accompanying notes.

**COMMUNITY AND PUBLIC SECTOR UNION – SPSF GROUP
(WA BRANCH)**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006**

	2006 \$	2005 \$
Cash Flows from Operating Activities		
Receipts from members	-	-
Payments on behalf of Civil Service Association of WA (Inc) pursuant to clause 15(c) of the agreement dated 20 July 1985	-	-
Payments to suppliers and employees	-	-
	<hr/>	<hr/>
Net cash provided by operating activities	-	-
	<hr/>	<hr/>
Cash Flows from Financing Activities		
Advance from Civil Service Association of WA (Inc)	-	-
	<hr/>	<hr/>
Net cash provided by (used in) financing activities	-	-
	<hr/>	<hr/>
Net increase/(decrease) in cash and cash equivalents	-	-
Cash and cash equivalents at the beginning of the financial year	-	-
	<hr/>	<hr/>
Cash and cash equivalents at the end of the financial year	-	-
	<hr/>	<hr/>

The above cash flow statement should be read in conjunction with the accompanying notes.

**COMMUNITY AND PUBLIC SECTOR UNION – SPSF GROUP
(WA BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006**

NOTE 1: STATEMENT OF ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial report includes financial statements for the Community and Public Sector Union.

a) Basis of preparation

This general purpose financial report has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRSs), other authoritative pronouncements of the Australian Accounting Standards Boards and Urgent Issues Group Interpretations.

Compliance with IFRS

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards. Compliance with AIFRSs ensures that the financial statements and notes of Community and Public Sector Union comply with International Financial Reporting Standards (IFRSs).

Application of AASB 1 First time adoption of Australian Equivalents to International Financial Reporting Standards.

These financial statements are the first financial statements to be prepared in accordance with AIFRSs. AASB 1 first time adoption of Australian Equivalents to International Financial Reporting Standards has been applied in preparing these financial statements of Community and Public Sector Union. Financial statements until 30 June 2005 had been prepared with previous Australian Generally Accepted Accounting Principles (AGAAP). AGAAP differs in certain respects from AIFRS. Reconciliations and descriptions of the effect of transition from previous AGAAP to AIFRSs on equity and net income are given in note 6.

b) Historical Cost Convention

These financial statements have been prepared under the historical cost convention.

c) Comparative Figures

Where required by Australian equivalents to IFRS, comparative figures have been adjusted to conform with changes in presentation for the current year.

e) Revenue Recognition

In accordance with generally accepted accounting principles for organisations, membership contributions are accounted for on a cash receipts basis.

**COMMUNITY AND PUBLIC SECTOR UNION – SPSF GROUP
(WA BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006**

NOTE 2: INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act 1996 the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of section 272 of RAO Schedule, which read as follows:

- i. A member of a branch, or a Registrar, 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.
- ii. 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.
- iii. A branch must comply with an application made under subsection (1).

NOTE 3: REVENUE

	2006 \$	2005 \$
Revenue from Continuing Operations		
- Subscription income	2,127,815	2,447,092
Less: Portion of subscription income applied to the operating expenses of the Civil Service Association of WA (Inc.) pursuant to Clause 15(c) of the agreement dated 20 July 1995	(1,728,732)	(2,106,886)
Total Revenue	<u>399,083</u>	<u>340,206</u>

NOTE 4: PROFIT FROM ORDINARY ACTIVITIES

	2006 \$	2005 \$
Profit from ordinary activities before income tax expense has been determined after:		
(a) Expenses		
Council – Meetings/ Conferences	32,764	43,331
	<u>32,764</u>	<u>43,331</u>

NOTE 5: EMPLOYEES

The Branch has no employees.

**COMMUNITY AND PUBLIC SECTOR UNION – SPSF GROUP
(WA BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006**

NOTE 6: EXPLANATION OF TRANSITION TO AUSTRALIAN EQUIVALENTS TO IFRS

(1) Reconciliation of Funds reported under previous Australian Generally Accepted Accounting Principles (AGAAP) to Members' Funds under Australian equivalents to IFRSs (AIFRS).

(a) At the date of transition to AIFRS: 1 July 2005

The adoption of AIFRSs has not resulted in any material adjustments to the balance sheet.

(b) At the end of the last reporting period under previous AGAAP: 30 June 2005.

The adoption of AIFRSs has not resulted in any material adjustments to the balance sheet.

(2) Reconciliation of the profit for the year ended 30 June 2005.

The adoption of AIFRSs has not resulted in any material adjustments to the income statement.

(3) Reconciliation of the cash flow statement for the year ended 30 June 2005.

The adoption of AIFRSs has not resulted in any material adjustments to the cash flow statement.

NOTE 7: BRANCH DETAILS

The principal place of business of the Branch is:

445 Hay Street
Perth WA 6000
AUSTRALIA

**CIVIL SERVICE ASSOCIATION OF
WESTERN AUSTRALIA (INCORPORATED)
AND ITS CONTROLLED ENTITIES
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2006**

**CIVIL SERVICE ASSOCIATION
OF WESTERN AUSTRALIA (INCORPORATED)**

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2006

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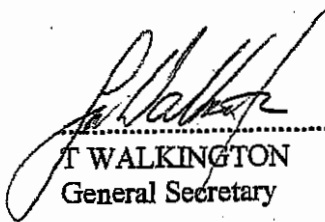
**CIVIL SERVICE ASSOCIATION
OF WESTERN AUSTRALIA (INCORPORATED)**


STATEMENT BY MEMBERS OF THE EXECUTIVE COMMITTEE

In the opinion of the Committee the financial report as set out on pages 4 to 21;

1. Presents fairly the financial position of the Civil Service Association of Western Australia (Incorporated) as at 30 June 2006 and its performance for the year ended on that date in accordance with Australian Equivalents to International Financial Reporting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that the Civil Service Association of Western Australia (Incorporated) will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with a resolution of the Committee and is signed for and on the behalf of the Committee by:


.....
T WALKINGTON
General Secretary


.....
B HEWSON
President

Dated at Perth this ~~day of August 2006~~
18th day of September 2006



Horwath Audit (WA) Pty

ABN 79 112 284 787

Chartered Accountants

A member of Horwath International

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**Independent audit report on the financial
report to members of Civil Service
Association of Western Australia (Incorporated)**

We have audited the accompanying financial report of Civil Service Association of Western Australia (Incorporated) ("the Association") and its controlled entities for the year ended 30 June 2006. The financial report comprises the balance sheet at 30 June 2006, and the income statement, statement of changes in equity, cash flow statement, summary of significant accounting policies and other explanatory notes for both the Association and the consolidated entity, and the directors' declaration for the year then ended. The consolidated entity comprises both the Association and the entities it controlled at the year's end or during the financial year.

Committee Members' Responsibility for the Financial Report

The committee of the Association are responsible for the preparation and fair presentation of the financial report in accordance with Accounting Standards, UIG pronouncements, the Industrial Relations Act 1979 and the Regulations under the Trade Practices Act 1902. This responsibility includes: designing, implementing and maintaining internal control 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Auditing Standards in Australia. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 judgment, 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 and fair presentation of the financial report 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, 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 the Australian professional ethical pronouncements.



Auditor's Opinion

In our opinion, the financial report of the Civil Service Association of Western Australia (Incorporated) and its controlled entities:

- a) Presents fairly the position of Civil Service Association of Western Australia Inc. and the consolidated entity as 30 June 2006, and of their performance for the year ended on that date; and
- b) Is presented in accordance with Australian Accounting Standards and other mandatory financial reporting requirements in Australia.
- c) The financial report for the year ended 30 June 2006 as set out on pages 4 to 21 have been properly drawn up in accordance with the Industrial Relations Act 1979 (as amended) and the Regulations under the Trade Unions Act, 1902.

Additionally, we report that we are not aware of any breach of Section 74 of the Western Australia Industrial Relations Act 1979.

Dated the 13th day of September 2006

HORWATH AUDIT (WA) PTY LTD

Horwath Audit

A handwritten signature in black ink, appearing to be "A.G. Bevan".

A.G BEVAN
Director

**CIVIL SERVICE ASSOCIATION
OF WESTERN AUSTRALIA (INCORPORATED)**

**INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006**

	NOTES	CONSOLIDATED ENTITY		ASSOCIATION	
		2006 \$	2005 \$	2006 \$	2005 \$
Revenues from continuing operations	2	6,195,313	5,670,910	5,984,504	5,359,841
Employee benefits expense		(4,020,131)	(3,856,940)	(3,799,452)	(3,716,744)
Legal fees		(119,508)	(96,341)	(119,508)	(96,341)
Depreciation expense	3	(178,042)	(177,826)	(174,833)	(168,567)
Other expenses from ordinary activities		(1,324,798)	(1,309,261)	(1,260,164)	(1,254,059)
		552,834	230,542	630,547	124,130
Write-back of provision for doubtful debts	3	-	-	-	35,575
Profit from ordinary activities before income tax expense		552,834	230,542	630,547	159,705
Income tax expense relating to ordinary activities	4	-	-	-	-
Net profit after income tax expense attributable to the association		552,834	230,542	630,547	159,705
Profit for the year		552,834	230,542	630,547	159,705

The above income statement should be read in conjunction with the accompanying notes.

**CIVIL SERVICE ASSOCIATION
OF WESTERN AUSTRALIA (INCORPORATED)**

**BALANCE SHEET
AS AT 30 JUNE 2006**

	NOTE	CONSOLIDATED ENTITY		ASSOCIATION	
		2006 \$	2005 \$	2006 \$	2005 \$
CURRENT ASSETS					
Cash and cash equivalents	5	2,530,044	1,762,706	2,131,776	1,333,681
Trade and other receivables	6	150,661	240,473	118,270	216,246
TOTAL CURRENT ASSETS		<u>2,680,705</u>	<u>2,003,179</u>	<u>2,250,046</u>	<u>1,549,927</u>
NON-CURRENT ASSETS					
Receivables	6	-	-	389,974	389,974
Other financial assets	7	5,000	5,000	170,100	170,100
Property, plant and equipment	8	4,435,193	4,477,609	4,366,859	4,401,295
TOTAL NON-CURRENT ASSETS		<u>4,440,193</u>	<u>4,482,609</u>	<u>4,926,933</u>	<u>4,961,369</u>
TOTAL ASSETS		<u>7,120,898</u>	<u>6,485,788</u>	<u>7,169,869</u>	<u>6,511,295</u>
CURRENT LIABILITIES					
Trade and other payables	9	513,704	500,696	497,376	470,266
Provisions	10	726,153	654,771	614,475	611,444
TOTAL CURRENT LIABILITIES		<u>1,239,857</u>	<u>1,155,467</u>	<u>1,111,851</u>	<u>1,081,710</u>
NON-CURRENT LIABILITIES					
Provisions	10	168,282	170,396	168,282	170,396
TOTAL NON-CURRENT LIABILITIES		<u>168,282</u>	<u>170,396</u>	<u>168,282</u>	<u>170,396</u>
TOTAL LIABILITIES		<u>1,408,139</u>	<u>1,325,863</u>	<u>1,280,133</u>	<u>1,252,106</u>
NET ASSETS		<u>5,712,759</u>	<u>5,159,925</u>	<u>5,889,737</u>	<u>5,259,189</u>
EQUITY					
Retained Profits		5,712,759	5,159,925	5,889,737	5,259,189
TOTAL EQUITY		<u>5,712,759</u>	<u>5,159,925</u>	<u>5,889,737</u>	<u>5,259,189</u>

The above balance sheet should be read in conjunction with the accompanying notes.

**CIVIL SERVICE ASSOCIATION
OF WESTERN AUSTRALIA (INCORPORATED)**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2006**

	CONSOLIDATED ENTITY		ASSOCIATION	
	2006	2005	2006	2005
	\$	\$	\$	\$
Total equity at the beginning of the financial year	5,159,925	4,929,383	5,259,189	5,099,484
Profit for the year	552,834	230,542	630,547	159,705
Total equity at the end of the financial year	5,712,759	5,159,925	5,889,737	5,259,189

The above statement of changes in equity should be read in conjunction with the accompanying notes.

**CIVIL SERVICE ASSOCIATION
OF WESTERN AUSTRALIA (INCORPORATED)**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006**

	CONSOLIDATED ENTITY		ASSOCIATION	
	2006	2005	2006	2005
	\$	\$	\$	\$
Cash Flows from Operating Activities				
Receipts from customers and members	6,399,366	6,033,539	6,228,212	5,885,227
Payments to suppliers and employees	(6,035,732)	(5,520,938)	(5,811,169)	(5,506,555)
Dividends received	2,268	1,250	-	-
Interest received	100,930	70,506	80,546	55,168
Interest paid	-	-	-	-
Net cash (outflow) inflow from operating activities (Note 13 (b))	466,832	584,357	497,589	433,840
Cash Flows from Investing Activities				
Payments for property, plant & equipment	(276,940)	(151,743)	(276,940)	(151,743)
Proceeds from sale of property, plant & equipment	577,446	-	574,446	-
Net cash (outflow) inflow from investing activities	300,506	(151,743)	300,506	(151,743)
Cash Flows from Financing Activities				
Repayments of borrowings	-	-	-	-
Net cash inflow (outflow) from financing activities	-	-	-	-
Net increase in cash held	767,338	432,614	798,095	282,097
Cash at the beginning of the financial year	1,762,706	1,330,092	1,333,681	1,051,584
Cash and cash equivalents at end of year (Note 13 (a))	2,530,044	1,762,706	2,131,776	1,333,681

The above cash flow statement should be read in conjunction with the accompanying notes.

**CIVIL SERVICE ASSOCIATION
OF WESTERN AUSTRALIA (INCORPORATED)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006**

NOTE 1 - STATEMENT OF ACCOUNTING POLICIES

a. Basis of preparation

This general purpose financial report has been prepared on a going concern basis in accordance with Australian equivalents to International Financial Reporting Standards (AIFRSs), other authoritative pronouncements of the Australian Accounting Standards Boards and Urgent Issues Group Interpretations.

The financial report covers the consolidated entity of Civil Service Association of Western Australia (Incorporated) and its controlled entities and Civil Service Association of Western Australia (Incorporated) as an individual parent.

Civil Service Association of Western Australia (Incorporated) is an Association incorporated in Western Australia under the Associations Incorporation Act.

Compliance with IFRSs

Australian Accounting Standards include AIFRSs. Compliance with AIFRSs ensures that the consolidated financial statements and notes of Civil Service Association of Western Australia (Incorporated) comply with International Financial Reporting Standards (IFRSs). The parent entity financial statements and notes also comply with IFRSs except that it has elected to apply the relief provided to parent entities in respect of certain disclosure requirements contained in AASB 132 *Financial Instruments: Presentation and Disclosure*.

Application of AASB 1 First time adoption of Australian Equivalents to International Financial Reporting Standards

These financial statements are the first financial statements to be prepared in accordance with AIFRSs. AASB 1 first time adoption of Australian Equivalents to International Financial Reporting Standards has been applied in preparing these financial statements of Civil Service Association of Western Australia (Incorporated). Financial statements until 30 June 2005 had been prepared with previous Australian Generally Accepted Accounting Principles (AGAAP). AGAAP differs in certain respects from AIFRS. Reconciliations and descriptions of the effect of transition from previous AGAAP to AIFRS on the group's equity and its net income are given at Note 15.

Historical Cost Convention

These financial statements have been prepared on an accrual basis under the historical cost convention.

The following is a summary of the significant accounting policies adopted by the consolidated entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

b. Principles of Consolidation

The consolidated financial statements comprise the financial statements of the Association and all entities controlled by the Association. A list of these controlled entities appears in Note 7. All inter-entity balances and unrealised profits resulting from inter-entity transactions at balance date have been eliminated.

**CIVIL SERVICE ASSOCIATION
OF WESTERN AUSTRALIA (INCORPORATED)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006**

NOTE 1 - STATEMENT OF ACCOUNTING POLICIES (cont'd)

c. Income Tax

The Association is exempt from the payment of income tax under the provisions of Section 50-15 of the Income Tax Assessment Act 1997.

Tax effect accounting is adopted for the controlled entities whereby income tax expense is based on the profit from ordinary activities adjusted for any permanent differences.

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

d. Investments

Investments in controlled entities are stated in the Association's accounts at cost. The carrying amount of investments is reviewed annually to ensure it is not in excess of the recoverable amount of these investments.

e. Property, Plant and Equipment

Property, plant and equipment are stated at cost less depreciation. Items of property, plant and equipment are depreciated over their estimated useful lives commencing from the time the asset is held ready for use.

**CIVIL SERVICE ASSOCIATION
OF WESTERN AUSTRALIA (INCORPORATED)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006**

NOTE 1 - STATEMENT OF ACCOUNTING POLICIES (*cont'd*)

e. Property, Plant and Equipment (*cont'd*)

The gain or loss on disposal of property, plant and equipment is determined as the difference between the carrying amount of the asset at the time of disposal and the proceeds of disposal, and is included in the results of the year of the disposal.

Items of property, plant and equipment, including buildings but excluding freehold land, are depreciated on a diminishing value basis over their estimated useful lives.

The depreciation rates used for each class of asset are as follows:

- | | |
|-----------------------|-----------------|
| • Buildings | 1.5% |
| • Plant and equipment | 7.5% to 40% |
| • Motor vehicles | 18.75% to 22.5% |

The asset's 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 (note 1(d)).

f. Impairment of Assets

At each reporting date, the group 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 income statement.

g. Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, and annual leave which will be settled after one year have been measured at the amount expected to be paid when the liability is settled plus related on-costs.

A liability for long service leave is recognised and is measured as the present value of expected future payments to be made in respect of services provided by employees up to balance date

i. Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled plus related on-costs.

ii. Long Service Leave

In assessing expected future payments, the Association has adopted the shorthand measurement technique referred to in AASB 119 and based the provision on remuneration rates current as at balance date for all employees with two or more years of service. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. The Executive Committee believes that this method provides an estimate of the liability that is not materially different from the estimate that would be obtained by using the present value basis of measurement.

**CIVIL SERVICE ASSOCIATION
OF WESTERN AUSTRALIA (INCORPORATED)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006**

NOTE 1 - STATEMENT OF ACCOUNTING POLICIES (cont'd)

h. Segment Reporting

A geographical segment is engaged in providing products or services within a particular economic environment and is subject to risks and returns that are different from those of the segments operating in other economic environments. The consolidated entity operates in the one geographical segment being Australia and operates predominantly in the one industry segment being union services. Revenue is derived from the following:

Membership subscriptions	Property rental
Insurance agent services	Financial services

i. Cash and cash equivalents

For cash flow statement purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, and bank overdrafts. Bank overdrafts, where applicable, are shown within borrowings in the current liabilities on the balance sheet.

j. Trade and other Receivables

Receivables to be settled within 60 days are carried at amounts due. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Trade receivables are due for settlement no more than 120 days from the date of recognition for land development and resale debtors, and no more than 30 days for other debtors.

Collectibility of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables.

k. Operating Leases

Payments made under operating lease are charged against the results in equal instalments over the accounting periods covered by the lease term.

l. Trade and other payables

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the Association or consolidated entity. Accounts payable are normally settled within 60 days.

m. Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. The rendering of services is recognised upon the delivery of the service to the customer. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

n. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from, or payable to, the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

o. Comparative Figures

Where required by Australian Equivalents to International Financial Reporting Standards, comparative figures have been adjusted to conform with changes in presentation for the current year.

**CIVIL SERVICE ASSOCIATION
OF WESTERN AUSTRALIA (INCORPORATED)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006**

	CONSOLIDATED ENTITY		ASSOCIATION	
	2006 \$	2005 \$	2006 \$	2005 \$
NOTE 2 - REVENUE				
Revenue from continuing operations				
- Subscription income	4,798,686	4,660,019	4,798,686	4,660,019
- Commission	345,488	479,043	-	-
- Lease income	472,446	430,053	496,446	454,053
- Other	34,612	30,039	167,943	190,601
	<u>5,651,232</u>	<u>5,599,154</u>	<u>5,463,075</u>	<u>5,304,673</u>
Other Revenue				
- Dividends	2,268	1,250	-	-
- Interest	100,930	70,506	80,546	55,168
Total Revenue	<u>5,754,430</u>	<u>5,670,910</u>	<u>5,543,621</u>	<u>5,359,841</u>

NOTE 3 - PROFIT FROM CONTINUING OPERATIONS

Profit before income tax includes the following specific expenses and revenue:

(a) Expenses

Depreciation of property, plant and equipment	178,042	177,826	174,833	168,567
Auditors' remuneration				
- audit	15,909	15,783	15,909	15,783
- other services	-	-	-	-

(b) Significant Revenue

Write-back of provision for doubtful debts on loan to: Civil Service Holdings Pty Ltd	-	-	-	35,575
Profit on disposal of Exmouth Property.	<u>440,883</u>	<u>-</u>	<u>440,883</u>	<u>-</u>

**CIVIL SERVICE ASSOCIATION
OF WESTERN AUSTRALIA (INCORPORATED)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006**

	CONSOLIDATED ENTITY		ASSOCIATION	
	2006 \$	2005 \$	2006 \$	2005 \$
NOTE 4 – INCOME TAX EXPENSE ATTRIBUTABLE TO OPERATING SURPLUS				
(a) Prima facie tax payable on surplus from ordinary activities before income tax at 30% (2005: 30%)	165,850	69,163	189,164	47,911
Less: Tax exempt income	(165,850)	(37,329)	(189,164)	(47,911)
Less: Utilisation of tax losses not previously recognised.	-	(31,834)	-	-
Income tax expense	-	-	-	-
(b) Future income tax benefits not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in Note 1(c) occur				
- tax losses	2,579	684	-	-
- timing differences	-	-	-	-
	<u>2,579</u>	<u>684</u>	<u>-</u>	<u>-</u>
NOTE 5 – CASH AND CASH EQUIVALENTS				
Cash at bank	2,527,792	1,759,023	2,130,876	1,332,781
Cash on hand	2,252	3,683	900	900
	<u>2,530,044</u>	<u>1,762,706</u>	<u>2,131,776</u>	<u>1,333,681</u>
NOTE 6 – TRADE AND OTHER RECEIVABLES				
<i>Current</i>				
Commissions receivable	32,252	44,305	-	-
Service charges receivable	-	-	-	-
Other debtors	106,731	192,085	106,592	212,163
Prepayments	11,678	4,083	11,678	4,083
	<u>150,661</u>	<u>240,473</u>	<u>118,270</u>	<u>216,246</u>

**CIVIL SERVICE ASSOCIATION
OF WESTERN AUSTRALIA (INCORPORATED)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006**

	CONSOLIDATED ENTITY		ASSOCIATION	
	2006 \$	2005 \$	2006 \$	2005 \$
NOTE 6 – TRADE AND OTHER RECEIVABLES (con't)				
<i>Non-Current</i>				
Loan to Intra Group Entity				
- Civil Service Holdings Pty Ltd	-	-	389,973	389,973
Less: Allowance for doubtful debts	-	-	-	-
	-	-	389,973	389,973

NOTE 7 – OTHER FINANCIAL ASSETS

Shares in controlled entity (at cost)	-	-	170,100	170,100
Investments – shares in unlisted company (at cost)	5,000	5,000	-	-
	5,000	5,000	170,100	170,100

The parent entity of the consolidated entity is the Civil Service Association of Western Australia (Incorporated). The Association controls the following entities:

ENTITY	COUNTRY OF% INCORPORATION	OWNED		2006 \$	2005 \$
		2006	2005		
Civil Service Holdings Pty Ltd	Australia	100	100	170,100	170,100
Civil Service Insurance Agency Pty Ltd	Australia	100	100	-	-
CSA Services (WA) Pty Ltd	Australia	100	100	-	-
Jetwest Travel Pty Ltd	Australia	100	100	-	-

The result of the consolidated entity, after provision for income tax was contributed by the following entities:

	2006 \$	2005 \$
Civil Service Association of WA (Inc)	630,547	124,130
Civil Service Holdings Pty Ltd	(5,967)	(2,313)
Civil Service Insurance Agency Pty Ltd	(77,550)	102,149
CSA Services (WA) Pty Ltd	5,804	6,576
Jetwest Travel Pty Ltd	-	-
Surplus for the year	552,834	230,542

**CIVIL SERVICE ASSOCIATION
OF WESTERN AUSTRALIA (INCORPORATED)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006**

	CONSOLIDATED ENTITY		ASSOCIATION	
	2006	2005	2006	2005
	\$	\$	\$	\$
NOTE 8 – PROPERTY, PLANT AND EQUIPMENT				
Land - at cost	365,147	440,147	365,147	440,147
Buildings - at cost	5,378,616	5,423,240	5,378,616	5,423,240
Less: Accumulated depreciation	(1,919,022)	(1,849,334)	(1,919,022)	(1,849,334)
	<u>3,459,594</u>	<u>3,573,906</u>	<u>3,459,594</u>	<u>3,573,906</u>
Furniture, fittings and equipment - at cost	1,829,849	1,603,678	1,723,276	1,497,105
Less: Accumulated depreciation	(1,327,660)	(1,270,422)	(1,275,515)	(1,223,049)
	<u>502,189</u>	<u>333,256</u>	<u>447,760</u>	<u>274,056</u>
Motor vehicles - at cost	196,941	196,941	167,458	167,458
Less: Accumulated depreciation	(88,678)	(66,641)	(73,100)	(54,272)
	<u>108,263</u>	<u>130,300</u>	<u>94,358</u>	<u>113,186</u>
	<u><u>4,435,193</u></u>	<u><u>4,477,609</u></u>	<u><u>4,366,859</u></u>	<u><u>4,401,295</u></u>

Land and buildings are valued or appraised by recognised licensed valuers or real estate agents at lease once every three years. The market values as at the last valuation dates are detailed below:

CSA Centre 445 Hay Street, Perth

Valued by

Valued by Graham Kennedy, FAPI – Jones Lang LaSalle – 31 July 2004

6,900,000

**CIVIL SERVICE ASSOCIATION
OF WESTERN AUSTRALIA (INCORPORATED)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006**

NOTE 8 - PROPERTY, PLANT AND EQUIPMENT (cont'd)

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between beginning and the end of the financial year ended 30 June 2006

Consolidated Entity	<i>Land</i>	<i>Building</i>	<i>Plant & Equip</i>	<i>Motor Vehicles</i>	<i>Total</i>
Balance at the beginning of the year	440,147	3,573,906	333,256	130,300	4,477,609
Additions	-	22,950	253,989	-	276,939
Disposals	(75,000)	(55,688)	(5,852)	-	(136,540)
Depreciation expense	-	(81,574)	(79,205)	(22,037)	(182,816)
Carrying amount at the end of the year	<u>365,147</u>	<u>3,459,594</u>	<u>502,188</u>	<u>108,263</u>	<u>4,435,192</u>
Association	<i>Land</i>	<i>Building</i>	<i>Plant & Equip</i>	<i>Motor Vehicles</i>	<i>Total</i>
Balance at the beginning of the year	440,147	3,573,906	274,056	113,186	4,401,295
Additions	-	22,950	253,989	-	276,939
Disposals	(75,000)	(55,688)	(5,852)	-	(136,540)
Depreciation expense	-	(81,574)	(74,433)	(18,828)	(174,835)
Carrying amount at the end of the year	<u>365,147</u>	<u>3,459,594</u>	<u>447,760</u>	<u>94,358</u>	<u>4,366,859</u>

NOTE 9 - TRADE AND OTHER PAYABLES

Sundry creditors and accruals	513,704	500,696	497,376	470,266
Other payables	-	-	-	-
	<u>513,704</u>	<u>500,696</u>	<u>497,376</u>	<u>470,266</u>

NOTE 10 - PROVISIONS

Current				
- Provision for annual leave	295,889	275,004	287,086	268,325
- Provision for long service leave	371,856	379,767	327,389	343,119
- Provision for redundancy	58,408	-	-	-
	<u>726,153</u>	<u>654,771</u>	<u>614,475</u>	<u>611,444</u>
Non-Current				
- Provision for long service leave	168,282	170,396	168,282	170,396
Number of employees at year end	<u>72</u>	<u>72</u>	<u>70</u>	<u>70</u>

**CIVIL SERVICE ASSOCIATION
OF WESTERN AUSTRALIA (INCORPORATED)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006**

NOTE 11 - RELATED PARTY TRANSACTIONS

(a) Executive Committee

The names of the persons who held office as members of the Executive Committee at any time during the reporting year were:

Mr B Hewson	Ms T Walkington	Ms J Gaines
Mr B Ellis	Mr P McGuinness	Mr R White
Ms L McKay	Mr K Trent	Mr B Hawkins
Ms B Conway	Ms D Henden	Ms M Armstrong

	CONSOLIDATED ENTITY		ASSOCIATION	
	2006	2005	2006	2005
	\$	\$	\$	\$
(b) Remuneration of Executive Committee Members				
The aggregate amount of remuneration received or receivable by members of the committee (including salaries) as listed in Note 12 (a) in respect of the management of the Association.	<u>270,262</u>	<u>259,060</u>	<u>267,337</u>	<u>257,740</u>

(c) Other Related Party Transactions

During the year, the ultimate parent entity, Civil Service Association of WA (Inc), charged management, referral fees and rent to controlled entities. These fees were based on commercial terms and conditions.

NOTE 12 - COMMITMENTS

The consolidated entity has entered into non-cancellable operating leases with lease terms in excess of one year in respect of motor vehicles and office equipment.

At balance date the aggregate lease commitment was as follows:

(i) due within one year	53,085	31,306	53,085	31,306
(ii) due later than one year and less than two years	60,152	27,118	60,152	27,118
(iii) due later than two years and less than five years	<u>34,185</u>	<u>54,235</u>	<u>34,185</u>	<u>54,235</u>
	<u>147,422</u>	<u>112,659</u>	<u>147,422</u>	<u>112,659</u>

**CIVIL SERVICE ASSOCIATION
OF WESTERN AUSTRALIA (INCORPORATED)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006**

**NOTE 13 - RECONCILIATION OF NET CASH PROVIDED BY OPERATING
ACTIVITIES TO OPERATING SURPLUS AFTER INCOME TAX**

(a) Reconciliation of Cash

Cash and cash equivalents at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the balance sheet as follows:

	CONSOLIDATED ENTITY		ASSOCIATION	
	2006	2005	2006	2005
	\$	\$	\$	\$
Cash and cash equivalents	626,833	287,593	512,372	126,592
Term Deposits	1,903,211	1,475,113	1,619,404	1,207,089
	<u>2,530,044</u>	<u>1,762,706</u>	<u>2,131,776</u>	<u>1,333,681</u>

(b) Reconciliation of profit after income tax to net cash inflow from operating activities

Profit for the year	552,834	230,542	630,547	159,705
Non-cash flows in surplus from ordinary activities				
Depreciation of property, plant and equipment	182,797	177,826	174,833	168,568
Loss/(profit) on disposal of property, plant and equipment	(440,883)	-	(440,883)	-
Provisions for employee leave benefits	69,267	102,774	909	103,995
Provision for doubtful debts		-	-	(35,575)
Change in assets and liabilities				
(Increase) decrease in sundry debtors	97,407	(177,939)	116,517	(130,476)
(Increase) decrease in loan receivables	-	-	-	-
(Increase) decrease in prepayments	(7,595)	94,907	(7,595)	74,233
Increase (decrease) in sundry creditors	13,005	156,247	33,659	23,747
Increase (decrease) in bonds & deposits	-	-	(10,398)	69,376
Increase (decrease) in provision for FBT	-	-	-	267
Net cash (outflow) inflow from operating activities	<u>466,832</u>	<u>584,357</u>	<u>497,589</u>	<u>433,840</u>

**CIVIL SERVICE ASSOCIATION
OF WESTERN AUSTRALIA (INCORPORATED)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006**

NOTE 14 - FINANCIAL INSTRUMENTS

(i) Interest Rate Risk

The Association's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and liabilities, is as follows:

<i>30/06/06</i>	Weighted Average Effective Interest Rate	Floating Interest Rate \$	Fixed Interest Rate Maturing		
			Within 1 Year \$	1 to 5 Years \$	Over 5 Years \$
<i>Financial Assets</i>					
Cash	5.25%	1,417,747		-	-
Term Deposits	5.20%		13,075	-	-
Term Deposits	5.50%		117,702	-	-
Term Deposits	5.65%		70,880	-	-
		1,417,747	201,657	-	-

<i>30/06/05</i>	Weighted Average Effective Interest Rate	Floating Interest Rate \$	Fixed Interest Rate Maturing		
			Within 1 Year \$	1 to 5 Years \$	Over 5 Years \$
<i>Financial Assets</i>					
Cash	5.25%	1,015,219		-	-
Term Deposits	5.30%		191,869	-	-
		1,015,219	191,869	-	-

(ii) Credit Risk

The Association's maximum exposure to credit risk, excluding the value of collateral or other security, in relation to each class of recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the Statements of Financial Position and notes to the financial statements.

The Association does not have any material credit risk exposure to any single debtor group or group of debtors under financial instruments entered into by the Association.

**CIVIL SERVICE ASSOCIATION
OF WESTERN AUSTRALIA (INCORPORATED)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006**

NOTE 15: EXPLANATION OF TRANSITION TO AUSTRALIAN EQUIVALENTS TO IFRS

(1) Reconciliation of Funds reported under previous Australian Generally Accepted Accounting Principles (AGAAP) to Funds under Australian equivalents to IFRSs (AIFRS).

(a) At the date of transition to AIFRS: 1 July 2005

The adoption of AIFRSs has not resulted in any material adjustments to the balance sheet.

(b) At the end of the last reporting period under previous AGAAP: 30 June 2005.

The adoption of AIFRSs has not resulted in any material adjustments to the balance sheet.

(2) Reconciliation of the profit for the year ended 30 June 2005.

The adoption of AIFRSs has not resulted in any material adjustments to the income statement.

(3) Reconciliation of the cash flow statement for the year ended 30 June 2005.

The adoption of AIFRSs has not resulted in any material adjustments to the cash flow statement.

NOTE 16 – ASSOCIATION DETAILS

The principal place of business of the Association and its controlled entities is:
445 Hay Street, Perth Western Australia 6000.

NOTE 17 – EVENTS OCCURRING AFTER REPORTING DATE

Due to a change of Insurance Underwriters there is now no need for an Agency Office. All Insurance quotes and enquiries are been handled by the New Underwriter.

The Civil Service Insurance Agency's office located at 445 Hay Street Perth closed on the 4 July 2006.

Civil Service Insurance Pty Ltd will continue to operate normally.



Horwath Audit (WA) Pty Ltd
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**DISCLAIMER TO THE MEMBERS OF
CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)**

The additional financial data presented in the following pages is in accordance with the books and records of the Association, which have been subjected to the auditing procedures applied in our statutory audit for the year ended 30 June 2006. It will be appreciated that our statutory audit did not cover all details of the additional financial data.

Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person in respect of such data, including any errors or omissions therein however caused.

Dated the 3rd day of September 2006.

HORWATH AUDIT (WA) PTY LTD

Horwath Audit

A handwritten signature in black ink, appearing to read "A G Bevan", written over a horizontal line.

A G BEVAN
Director

**CIVIL SERVICE ASSOCIATION
OF WESTERN AUSTRALIA (INCORPORATED)**

**DETAILED OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006**

	PARENT	
	2006	2005
	\$	\$
<u>INCOME</u>		
Members' subscriptions	4,798,686	4,660,019
Interest on investments	80,546	55,168
Journal advertising	1,436	3,724
Miscellaneous income	33,169	26,314
Management, Computer services	133,338	160,564
Lease income	496,446	454,053
Profit on sale of assets	440,883	-
Write-back of provision for doubtful debts	-	35,575
TOTAL INCOME	5,984,504	5,395,417
<u>EXPENDITURE</u>		
Advertising	3,486	8,631
Affiliation fees	51,476	50,141
Audit & accounting	13,523	15,783
Bank Charges	63,011	56,148
Cleaning & Domestic	49,380	42,757
Computer expenses	47,290	45,812
Council expenses	212,499	200,637
Courier Services	2,609	2,012
Depreciation	174,833	168,567
Donations	540	10,845
Fuel, light & power	94,707	100,743
General expenses	13,773	377
Insurance	72,236	72,119
Journal Publication costs	69,720	102,520
Legal Fees	121,450	93,548
Library	5,426	9,125
Maintenance	93,620	69,571
Management Services	11,931	53,266
Media monitoring	545	405
Membership Fees & Levies - Shoprite	11,441	16,801
Motor vehicle costs	44,706	39,162
Photocopy cost	51,824	36,885
Postage	56,691	25,946
Printing	11,174	16,396
Promotions	7,417	1,955
Rates & taxes	58,286	59,839
Regional visits	15,344	35,841
Rent	7,020	7,020
Security	4,675	6,023

**CIVIL SERVICE ASSOCIATION
OF WESTERN AUSTRALIA (INCORPORATED)**

**DETAILED OPERATING STATEMENT (Cont'd)
FOR THE YEAR ENDED 30 JUNE 2006**

	PARENT	
	2006 \$	2005 \$
Special Projects	27,787	31,635
Staff amenities	9,334	6,632
Staff expenses	3,793,078	3,710,703
Staff training	53,163	49,303
Staff uniforms	3,581	-
Stationery	24,405	21,580
Storage facility	10,197	11,782
Telephone	57,325	51,261
Travelling expenses	1,898	2,485
Workplace representatives training	2,556	1,456
TOTAL EXPENDITURE	<u>5,353,957</u>	<u>5,235,712</u>
OPERATING SURPLUS	<u><u>630,547</u></u>	<u><u>159,705</u></u>