



10 January 2018

Mr Gary Swan
Secretary
CSR & Holcim Staff Association
By email: Gary.Swan@au.wilmar-intl.com
CC: mricha87@bigpond.net.au

Dear Mr Swan,

CSR & Holcim Staff Association
Financial Report for the year ended 30 June 2017 - [FR2017/130]

I acknowledge receipt of the financial report of the CSR & Holcim Staff Association. The documents were lodged with the Registered Organisations Commission (the ROC) on 15 December 2017. I also acknowledge the Designated Officer's Certificate which was lodged with the ROC on 8 January 2018.

The financial report has now been filed.

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

Please note that the financial report for the year ending 30 June 2018 may be subject to an advanced compliance review.

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

Documents must be lodged with ROC within 14 days of General Meeting

Section 268(c) of the RO Act states that the Designated Officer's Certificate is required to be lodged with the ROC within 14 days of the General Meeting of members referred to in section 266 of the RO Act. The Designated Officer's Certificate indicates that this meeting occurred on 8 December 2017. However, the Designated Officer's Certificate was not lodged until 8 January 2018, whereas it should have been lodged with the ROC before 22 December 2017.

Please ensure in future years that the Designated Officer's Certificate is lodged within the statutory timeframes under section 268 of the RO Act. Please note that section 268 is a civil penalty provision.

New format for Auditor's Statement

The Auditing and Assurance Standards Board (AUASB) has released new requirements for auditor reports effective for financial reporting periods ending on or after 15 December 2016. The Auditor's

Statement for the reporting unit was not prepared in accordance with the new format required by ASA 700 *Forming an Opinion and Reporting on a Financial Report*. A ['Guidance Note'](#) is available on the ROC website to help Registered Organisations understand the new auditing requirements.

Please ensure that the auditor's statement in relation to next year's financial report is prepared in accordance with ASA 700.

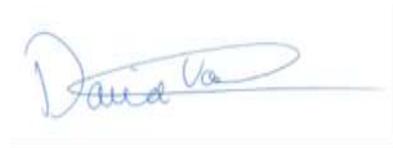
Reporting Requirements

New Reporting Guidelines will apply to organisations and branches with financial years commencing on or after 1 July 2017. Updates and information on the new guidelines will be provided through the ROC website and the [subscription service](#).

On the ROC website is a number of factsheets in relation to the financial reporting process and associated timelines. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The ROC recommends reporting units use this model as it will assist in ensuring compliance with the RO Act, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

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

Yours faithfully

A handwritten signature in blue ink, appearing to read 'David Vale', is enclosed in a thin black rectangular border.

David Vale
Registered Organisations Commission

CSR & Holcim Staff Association

LEVEL 1, TRINITY 3
39 DELHI ROAD
NORTH RYDE, NSW 2113
TELEPHONE: (02) 9964 1747

LOCKED BAG 1345,
NORTH RYDE BC NSW 1670
www.csrholcimwilmar.com

8 January 2018

The Commissioner,
Registered Organisations Commission
By Email: regorgs@roc.gov.au

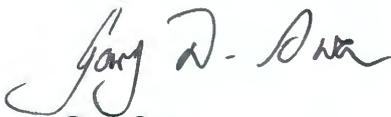
Dear Mr Bielecki,

CSR & Holcim Staff Association: 2016-17 Annual Operating and Financial Report
Certificate of Prescribed Designated Officer

I have been advised by Mr David Vaille of your office that when I sent the Registered Organisations Commission the *2016-2017 Operating Report and Financial Statements* for the CSR & Holcim Staff Association on 15 December 2017 I provided certain information in a covering letter which did not fully comply with the requirement to provide a Certificate of the Prescribed Designated Officer.

I apologise for this omission and attach the Certificate of the Prescribed Designated Officer below.

Yours sincerely,



Gary Swan
Secretary

CSR & Holcim Staff Association

s.268 *Fair Work (Registered Organisations) Act 2009*

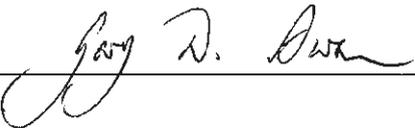
Certificate of Prescribed Designated Officer

Certificate for the period ended 30 June 2017

I, Gary Swan, being the Secretary of the CSR & Holcim Staff Association certify:

- That the documents lodged on 15 December 2017 are copies of the full report for the CSR & Holcim Staff Association for the period ended 30 June 2017 referred to in Section 268 of the *Fair Work (Registered Organisations) Act 2009* (FWRO Act);
- That the full report was provided to members of the reporting unit on Friday 3 November 2017; and
- That the full report was presented to a general meeting of members of the reporting unit on Friday, 8 December 2017 in accordance with Section 266 of the FWRO Act.

Signature of prescribed designated officer:



Name of prescribed designated officer:

Mr Gary Swan

Title of prescribed designated officer:

Secretary

Dated: 8/1/2018

CSR & Holcim Staff Association

LEVEL 1, TRINITI 3
39 DELHI ROAD
NORTH RYDE, NSW 2113
TELEPHONE: (02) 9964 1747

LOCKED BAG 1345,
NORTH RYDE BC NSW 1670
www.csrholcimwilmar.com

15 December 2017

The Commissioner,
Registered Organisations Commission
By Email: regorgs@roc.gov.au

Dear Mr Bielecki,

CSR & Holcim Staff Association: 2016-17 Annual Operating and Financial Report

Attached is the *2016-2017 Operating Report and Financial Statements* for the CSR & Holcim Staff Association.

In accordance with the *Fair Work (Registered Organisations) Act 2009* the CSR & Holcim Staff Association made the attached *2016-2017 Operating Report and Financial Statements* available to its members via email on 3rd November 2017 and presented the report to the Annual General on 8th December 2017.

Yours sincerely,



Gary Swan
Secretary

Financial Statements 2016-2017

CSR and Holcim Staff Association

Contents

Operating Report	2-3
Committee of Management Statement	4
Statement of Profit or Loss and Other Comprehensive Income	5
Statement of Financial Position	6
Statement of Changes in Equity	7
Cash Flow Statement	8
Recovery of Wages Activity	9
Notes to and Forming Part of the Financial Statements	10-33
Independent Audit Report	34
Attachment A: Operating Report - Review of Principal Activities	35

OPERATING REPORT for the period ended 30 June 2017

The committee of management ('Executive Council') presents its report on the reporting unit for the financial year ended 30 June 2017.

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

The principal activity of the economic entity during the financial year was that of an Association of Employees as described in detail in the accompanying attachment "A".

Significant changes in financial affairs

No significant changes in the economic entity's state of affairs, occurred during the financial year.

The Executive Council stated that the surplus of the CSR & Holcim Staff Association ("the Association") for the financial year amounted to \$66,263.

Right of members to resign

CSR & Holcim Staff Association Rule 9 provides for the resignation of members in accordance with the Fair Work (Registered Organisations) Act 2009.

Officers & employees who are superannuation fund trustee(s) or director of a company that is a superannuation fund trustee

No officer, member or employee of the Association holds a position as a trustee or a director of a superannuation entity or exempt public sector superannuation scheme or superannuation fund trustee.

Number of members

At 30 June 2017 the number of members recorded for our organisation was 792.

Number of employees

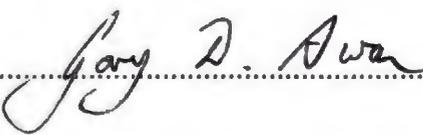
At 30 June 2017 our organisation had one full-time staff employee.

Names of Executive Council members and period positions held during the financial year

Name	No. of meetings attended this financial year	Portion of financial year held office	Length of time held position on Committee of Management
Doug Sockhill	5	Full year	From 28/03/14 on-going
Gary Swan	5	Full year	From 22/07/11 on-going
Philip Carter	5	Full year	From 10/12/09 on-going
Max Priebe	5	Full year	From 19/09/13 on-going
Don McArthur	5	Full year	From 15/09/15 on-going
Geoffrey Ellis	1	Full year	From 15/09/2015 ongoing

Officers and employees who are directors of a company or a member of a board

No officer or employee of the Association holds a position as a director of a company or a member of a board.

Signature of prescribed designated officer 

Name of prescribed designated officer: Gary Swan
Secretary, CSR & Holcim Staff Association

Dated: 8th day of August 2017

COMMITTEE OF MANAGEMENT STATEMENT

for the period ended 30 June 2017

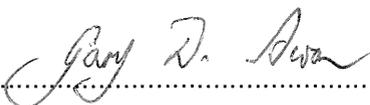
On the 21st July 2017 the Executive Council of the CSR & Holcim Staff Association passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2017:

The Executive Council declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager;
- (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 GPFR 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; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) RO Act 2009; and
 - (iv) The Association operates as a single reporting unit, and
 - (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) no revenue has been derived from undertaking recovery of wages activity during the reporting period

This declaration is made in accordance with a resolution of the Executive Council.

Signature of designated officer



.....

Name of designated officer:

Gary Swan
Secretary, CSR & Holcim Staff Association

Dated:

8th day of August 2017

STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME*for the year ended 30 June 2017*

	Notes	2017 \$	2016 \$
Revenue			
Membership subscription *		247,552	261,817
Capitation fees	3A	-	-
Levies	3B	-	-
Interest	3C	11,249	7,740
Rental revenue	3D	-	-
Other revenue		-	-
Total revenue		258,801	269,557
Other Income			
Grants and/or donations	3E	0	43,800
Share of net profit from associate	6E	-	-
Net gains from sale of assets	3F	-	-
Total other income		0	43,800
Total income		258,801	313,357
Expenses			
Employee expenses	4A	163,196	210,420
Capitation fees	4B	-	-
Affiliation fees	4C	-	-
Administration expenses	4D	18,297	21,128
Grants or donations	4E	-	-
Depreciation and amortisation	4F	138	173
Finance costs		-	-
Legal costs	4G	5,164	-3,505
Audit fees	14	4,450	4,450
Share of net loss from associate	6E	-	-
Write-down and impairment of assets		-	-
Net losses from sale of assets		-	-
Other expenses	4H	1,293	3,770
Total expenses		192,538	236,436
Profit (loss) for the year		66,263	76,921
Other comprehensive income			
Items that will not be subsequently reclassified to profit or loss			
Gain on revaluation of land & buildings		-	-
Total comprehensive income for the year		66,263	76,921

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

* As required by the Reporting Guidelines. Item to remain even if 'nil'

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

STATEMENT OF FINANCIAL POSITION*as at 30 June 2017*

	Notes	2017 \$	2016 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5A	77,471	149,907
Trade and other receivables	5B	16,405	581
Other Assets – Term Deposits	5C	443,503	323,557
Trust Bank, CSR Past Employees Association	19	0	0
Total current assets		537,379	474,045
Non-Current Assets			
Land and buildings	6A	-	-
Plant and equipment	6B	554	692
Investment Property	6C	-	-
Intangibles	6D	-	-
Investments in associates	6E	-	-
Other investments	6F	-	-
Other non-current assets	6G	-	-
Total non-current assets		554	692
Total assets		537,933	474,737
LIABILITIES			
Current Liabilities			
Trade payables	7A	5,220	4,751
Other payables	7B	7,577	13,747
Employee provisions	8A	26,714	24,080
Trust Fund, CSR Past Employees Association	19	0	0
Total current liabilities		39,511	42,578
Non-Current Liabilities			
Employee provisions LT	8A	-	-
Other non-current liabilities	9A	-	-
Total non-current liabilities		-	-
Total liabilities		39,511	42,578
Net assets		498,422	432,159
EQUITY			
Accumulated funds	10A	498,422	432,159
Total equity		498,422	432,159

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

STATEMENT OF CHANGES IN EQUITY*for the year ended 30 June 2017*

	Notes	General funds \$	Retained earnings \$	Total equity \$
Balance as at 1 July 2015			355,238	355,238
Profit/(Loss)for the year		-	76,921	76,921
Other comprehensive income for the year		-	-	-
Transfer to/from [Nil]	10A	-	-	-
Closing balance as at 30 June 2016		-	432,159	432,159
Adjustment for errors		-	-	-
Adjustment for changes in accounting policies		-	-	-
Profit/(Loss)for the year		-	66,263	66,263
Other comprehensive income for the year		-	-	-
Transfer to/from [Nil]	10A	-	-	-
Closing balance as at 30 June 2017		-	498,422	498,422

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

Statement of Cash Flows for the year ended 30th June 2017

	Note	2017 \$	2016 \$
Cash Flows from Operating Activities			
Cash received			
Receipts from Members Fees		254,337	293,284
Interest Received	B	2,265	7,740
Other Income	C	0	43,800
Cash used			
Employees	D	-160,144	-169,782
Suppliers	D	-52,451	-107,254
Payment to other reporting units/controlled entity(s)	11B	0	-
Net cash from (used in) Operating Activities		<u>44,007</u>	<u>67,788</u>
Cash Flows from Investing Activities			
Proceeds from Investments		168,118	0
Payments to investments		-293,503	
Interest received from investments		3,503	-7,667
Transfer of funds reclassified as funds from operations		5,439	
Net Cash from Investing Activities		<u>-116,443</u>	<u>-7,667</u>
Net Increase (Decrease) in cash held		-72,436	60,121
Cash at beginning of financial year		<u>149,907</u>	89,786
Cash at end of financial year	5A	<u><u>77,471</u></u>	<u>149,907</u>

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

RECOVERY OF WAGES ACTIVITY*

	2017	2016
	\$	\$
Cash assets in respect of recovered money at beginning of year	-	-
Receipts		
Amounts recovered from employers in respect of wages etc.	-	-
Interest received on recovered money	-	-
Total receipts	-	-
Payments		
Deductions of amounts due in respect of membership for:		
12 months or less	-	-
Greater than 12 months	-	-
Deductions of donations or other contributions to accounts or funds of:	-	-
Nil		
Name of other reporting unit of the organisation:		
Nil	-	-
Name of other entity:		
Nil	-	-
Deductions of fees or reimbursement of expenses	-	-
Payments to workers in respect of recovered money	-	-
Total payments	-	-
Cash assets in respect of recovered money at end of year	-	-
Number of workers to which the monies recovered relates	-	-
Aggregate payables to workers attributable to recovered monies but not yet distributed		
Payable balance	-	-
Number of workers the payable relates to	-	-
Fund or account operated for recovery of wages		
The Association has not recovered any wages during the year ended 30 June 2017	-	-

*As required by the Reporting Guidelines. Item to remain even if 'nil'.

Index to the Notes of the Financial Statements

	Page	
Note 1	Summary of significant accounting policies	11-19
Note 2	Events after the reporting period	20
Note 3	Income	20
Note 4	Expenses	21-23
Note 5	Current assets	24
Note 6	Non-current assets	25
Note 7	Current liabilities	26
Note 8	Provisions	27
Note 9	Non-current liabilities	28
Note 10	Equity	28
Note 11	Cash flow	29
Note 12	Contingent liabilities, assets and commitments	30
Note 13	Related party disclosures	30
Note 14	Remuneration of auditors	30
Note 15	Financial instruments	31-32
Note 16	Fair value measurements	32
Note 17	Business combinations	32
Note 18	Administration of financial affairs by a third party	32
Note 19	Section 272 Fair Work (Registered Organisations) Act 2009	33

Note 1 Summary of significant accounting policies

1.1 Basis of preparation of the financial statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, the Association is a not-for-profit entity.

The Financial Statements were authorised for issue on 11th August 2017 by the Secretary of the Association.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

1.2 Comparative amounts

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

1.3 Significant accounting judgements and estimates

No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard requirements

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

Future Australian Accounting Standards Requirements

No new standards, amendments to standards or interpretations were issued prior to the sign-off date or are applicable to the future reporting period that are expected to have a future financial impact on the Association.

1.5 Basis of consolidation

The Association is not required to prepare consolidated financial statements. The organisation operates as a single entity. The Association has no other units.

1.6 Investment in associates and joint arrangements

The Association has no investments in associates or joint arrangements.

1.7 Business combinations

There are no business acquisitions for the Association

1.8 Acquisition of assets and or liabilities that do not constitute a business combination

No assets and liabilities have been transferred to the reporting unit during the year for consideration or for no consideration.

The assets and liabilities are recognised as at the date of transfer.

1.9 Revenue

Revenue is measured at the fair value of the consideration received or receivable.

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

Revenue from the sale of goods is recognised when, the risks and rewards of ownership have been transferred to the buyer, the entity retains no managerial involvement or effective control over the goods, the revenue and transaction costs incurred can be reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the entity.

Donation income is recognised when it is received.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

Interest revenue is recognised on an accrual basis using the effective interest rate.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease.

1.10 Government grants¹

The Association receives no Government grants.

1.11 Gains

Sale of assets

There have been no asset sales in the financial year ended 30 June 2017

1.12 Capitation fees and levies

There have been no capitation fees or levies, received or paid.

¹ Policy relevant for for-profit reporting units. Not-for-profit reporting units must comply with AASB1004 Contributions.

1.13 Employee benefits

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

Liabilities for short-term employee benefits (as defined in AASB 119 *Employee Benefits*) and termination benefits which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by the reporting unit in respect of services provided by employees up to reporting date.

The Association makes no payments to defined contribution retirement benefit.

Provision is made for separation and redundancy benefit payments. Reporting Unit recognises a provision for termination as part of a broader restructuring when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations. A provision for voluntary termination is recognised when the employee has accepted the offer of termination.

1.14 Leases

The Association holds no finance leases.

Operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets.

1.15 Borrowing costs

All borrowing costs are recognised in profit and loss in the period in which they are incurred.

1.16 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the consolidated statement of financial position.

1.17 Financial instruments

Financial assets and financial liabilities are recognised when the Association becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through

profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

1.18 Financial assets

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss, held-to-maturity investments, available-for-sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised upon trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Fair value through profit or loss

Financial assets are classified as at fair value through profit or loss when the financial asset is either held for trading or it is designated as at fair value through profit or loss.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition, it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the statement of comprehensive income.

Held-to-maturity investments

Financial assets with fixed or determinable payments and fixed maturity dates that the reporting unit has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

Available-for-sale

Listed shares and listed redeemable notes held by the reporting unit that are traded in an active market are classified as available-for-sale and are stated at fair value. The reporting unit also has investments in unlisted shares that are not traded in an active market but that are also classified as available-for-sale financial assets and stated at fair value. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investments revaluation reserve, with the exception of impairment losses, interest calculated using the effective interest method, and foreign exchange gains and losses on monetary assets, which are recognised in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

Dividends on available-for-sale equity instruments are recognised in profit or loss when the reporting unit right to receive the dividends is established. The fair value of available-for-sale monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. The foreign exchange gains and losses that are recognised in profit or loss are determined based on the amortised cost of the monetary asset. Other foreign exchange gains and losses are recognised in other comprehensive income.

Loan and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, when appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest rate basis except for debt instruments other than those financial assets that are recognised at fair value through profit or loss.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the reporting units past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of available-for-sale debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

De-recognition of financial assets

The reporting unit derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

1.19 Financial Liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

Fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss when the financial liability is either held for trading or it is designated as at fair value through profit or loss.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition, it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the statement of comprehensive income.

Other financial liabilities

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

De-recognition of financial liabilities

The reporting unit derecognises financial liabilities when, and only when, the reporting unit's obligations are discharged, cancelled or they expire. The difference between the carrying amounts of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

1.20 Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

1.21 Land, Buildings, Plant and Equipment

The Association held no land or buildings during the year ended 30 June 2017

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful life using, in all cases, the diminishing line method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Land, Buildings, Plant and Equipment cont.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2017	2016
Plant and equipment	20%	20%

De-recognition

An item of land, buildings, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.

1.22 Investment property

The Association held no investment properties during the year ended 30 June 2017.

1.23 Intangibles

The Association held no intangible assets during the year ended 30 June 2017.

1.24 Impairment for non-financial assets

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the [*reporting unit*] were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

1.25 Non-current assets held for sale

The Association has held no non-current assets for sale during the year ended 30 June 2017.

1.26 Taxation

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

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

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

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

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

1.27 Fair value measurement

The Association measures financial instruments, such as financial assets at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 16A.

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

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

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

All financial assets of The Association are measured and disclosed at Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities.

1.28 Going concern

The Association is not reliant on the agreed financial support of another reporting unit to continue on a going concern basis.

No *Reporting unit* has agreed to provide the Association with financial support to ensure they can continue on a going concern basis.

Note 2 Events after the reporting period**Events Subsequent to Reporting Date**

There are no matters or circumstances that have arisen since the end of the financial year that have significantly affected, or may significantly affect the operations of the Association, the results of the operations of the Association or the state of affairs of the Association in future financial years

	2017	2016
	\$	\$
Note 3 Income		
Note 3A: Capitation fees*		
Nil	-	-
Total capitation fees	-	-
Note 3B: Levies*		
Nil	-	-
Total levies	-	-
Note 3C: Interest		
Deposits	11,249	7,740
Loans	-	-
Total interest	11,249	7,740
Note 3D: Rental revenue		
Nil	-	-
Total rental revenue	-	-
Note 3E: Grants or donations*		
Grants	-	-
Donations	-	43,800
Total grants or donations	-	43,800
Note 3F: Net gains from sale of assets		
Land and buildings	-	-
Plant and equipment	-	-
Intangibles	-	-
Total net gain from sale of assets	-	-

*As required by the Reporting Guidelines. Item to remain even if 'nil'.

	2017	2017
	\$	\$
Note 4 Expenses		
Note 4A: Employee expenses*		
Holders of office:		
Wages and salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses holders of office	<u>-</u>	<u>-</u>
Employees other than office holders:		
Wages and salaries	130,004	171,014
Superannuation	13,706	17,143
Leave and other entitlements	18,061	18,969
Separation and redundancies	-	-
Other employee expenses	1,425	3,294
Subtotal employee expenses employees other than office holders	<u>163,196</u>	<u>210,420</u>
Total employee expenses	<u><u>163,196</u></u>	<u><u>210,420</u></u>
Note 4B: Capitation fees*		
Nil	-	-
Total capitation fees	<u>-</u>	<u>-</u>
Note 4C: Affiliation fees*		
Nil	-	-
Total affiliation fees/subscriptions	<u>-</u>	<u>-</u>

*As required by the Reporting Guidelines. Item to remain even if 'nil'.

	2017	2016
	\$	\$
Note 4D: Administration expenses		
Consideration to employers for payroll deductions*	-	-
Compulsory levies* [Nil]	-	-
Fees/allowances - meeting and conferences*	-	-
Conference and meeting expenses*	2,473	3,897
Contractors/consultants	10,074	9,714
Property expenses	-	-
Office expenses	1,931	3,196
Information communications technology	864	1,260
Other	790	1,021
Subtotal administration expense	16,132	19,088
Operating lease rentals:		
Minimum lease payments	2,165	2,040
Total administration expenses	18,297	21,128
Note 4E: Grants or donations*		
Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:	-	-
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Total grants or donations	-	-
Note 4F: Depreciation and amortisation		
Depreciation		
Land & buildings	-	-
Property, plant and equipment	138	173
Total depreciation	138	173
Amortisation		
Intangibles	-	-
Total amortisation	-	-
Total depreciation and amortisation	138	173

*As required by the Reporting Guidelines. Item to remain even if 'nil'.

2017 2016

\$ \$

Note 4G: Legal Costs*

Litigation Other legal matters:	-	-
Other legal matters	5,164	-3,505
Total grants or donations	5,164	-3,505
	5,164	-3,505

Note 4H: Other expenses

Penalties – via RO Act or RO Regulations*	-	-
Staff Travel	1,293	3,770
Total other expenses	1,293	3,770
	1,293	3,770

*As required by the Reporting Guidelines. Item to remain even if 'nil'.

	2017	2016
	\$	\$
Note 5 Current Assets		
Note 5A: Cash and Cash Equivalents		
Cash at bank	77,158	149,594
Cash on hand	313	313
Total cash and cash equivalents	77,471	149,907
Note 5B: Trade and Other Receivables		
Receivables from other reporting unit[s]*		
Nil	-	-
Total receivables from other reporting unit[s]	-	-
Less provision for doubtful debts*		
Nil	-	-
Total provision for doubtful debts	-	-
Receivable from other reporting unit[s] (net)	-	-
Other receivables:		
GST receivable from the Australian Taxation Office	-	-
Other trade receivables	16,405	581
Total other receivables	16,405	581
Total trade and other receivables (net)	16,405	581
Note 5C: Other Assets		
Term Deposits	443,503	323,557

	2017	2016
	\$	\$

Note 6 Non-current Assets

Note 6A: Land and buildings

Land and buildings:

fair value	-	-
accumulated depreciation	-	-

Total land and buildings	-	-
---------------------------------	----------	----------

Note 6B: Plant and equipment

Plant and equipment:

at cost	22,259	22,259
Accumulated depreciation	-21,705	-21,567

Total plant and equipment	554	692
----------------------------------	------------	------------

Reconciliation

Reconciliation of the Opening and Closing Balances of Plant and Equipment

Balance at beginning of the year	692	865
----------------------------------	-----	-----

Depreciation expense	-138	-173
----------------------	------	------

Other movement	-	-
----------------	---	---

Balance at end of the year	554	692
-----------------------------------	------------	------------

	2017	2016
	\$	\$

Note 7 Current Liabilities**Note 7A: Trade payables**

Trade creditors and accruals	5,220	4,751
Operating lease rentals	-	-
Subtotal trade creditors	5,220	4,751

Payables to other reporting unit[s]*

[list name and amount for each reporting unit]

	-	-
Subtotal payables to other reporting unit[s]	-	-
Total trade payables	5,220	4,751

Settlement is usually made within 30 days.

Note 7B: Other payables

Wages and salaries	-	-
Superannuation	-	-
Consideration to employers for payroll deductions*	-	-
Legal costs*	-	-
Litigation	-	-
Other legal matters	-	-
Prepayments received/unearned revenue	-	-
GST payable	4,240	10,523
FBT & PAYE tax liability	3,337	3,224
Other	-	-
Total other payables	7,577	13,747

Total other payables are expected to be settled in:

No more than 12 months	7,577	13,747
More than 12 months	-	-
Total other payables	7,577	13,747

*As required by the Reporting Guidelines. Item to remain even if 'nil'.

	2017	2016
	\$	\$
Note 8 Provisions		
Note 8A: Employee Provisions*		
Office Holders:		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
<i>Subtotal employee provisions—office holders</i>	-	-
Employees other than office holders:		
Annual leave	12,891	14,744
Long service leave	13,823	9,336
Separations and redundancies	-	-
Other	-	-
<i>Subtotal employee provisions—employees other than office holders</i>	26,714	24,080
Total employee provisions	26,714	24,080
Current	26,714	24,080
Non Current	-	-
<i>Total employee provisions</i>	26,714	24,080

*As required by the Reporting Guidelines. Item to remain even if 'nil'.

	2017	2016
	\$	\$
Note 9 Non-current Liabilities *		
Note 9A: Other non-current liabilities		
Nil	-	-
Total other non-current liabilities	<u>-</u>	<u>-</u>
Note 10 Equity		
Note 10A: Funds		
Nil reserves		
Balance as at start of year	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance as at end of year	<u>-</u>	<u>-</u>
Balance as at start of year	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance as at end of year	<u>-</u>	<u>-</u>
Total Reserves	<u>-</u>	<u>-</u>

*As required by the Reporting Guidelines. Item to remain even if 'nil'.

Note 11A: Cash Flow Reconciliation**Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:**

	2017	2016
	\$	\$
Cash and cash equivalents as per:		
Cash flow statement	77,471	149,907
Balance sheet	77,471	149,907
Difference	-	-

Note 11B: Cash flow information*

Reporting Entities – Nil

Note 11C Reconciliation of Cash

Cash includes cash on hand and at call deposits with financial institutions. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:-

	2017	2016
	\$	\$
Cash at bank	77,158	149,594
Cash on hand	313	313
5A	77,471	149,907

Note 11D Reconciliation of Net Cash from/(used in) Operating Activities with Operating Deficit

Operating Surplus / (Deficit)	66,263	76,921
Depreciation	138	173
Interest received from investments	-3,503	
Increase / (Decrease) in Provisions	2,634	-20,448
Changes in Assets and Liabilities:		
	-15,824	64,091
Receivables	-5,701	-52,949
Payables		
Net Cash from/(used in) Operating Activities	44,007	67,788

*As required by the Reporting Guidelines. Item to remain even if 'nil'.

2017	2016
\$	\$

Note 12: Contingent Liabilities, Assets and Commitments

Note 12A: Operating Lease Liability

Total minimum future non-cancellable lease payments	667	2,165
Not later than 1 year	-	667
Later than 1 year and not later than 5 years		
	<u>667</u>	<u>2,832</u>

Note 13: Related Party Disclosures

Nil	<u>-</u>	<u>-</u>
-----	----------	----------

Note 13A: Management Personnel Remuneration for the Reporting Period

Nil	<u>-</u>	<u>-</u>
-----	----------	----------

Key Management responsibilities are performed by elected members of the Executive Council of the Association who perform their duties on a voluntary basis.

Note 14: Remuneration of Auditors

Value of the services provided

Financial statement audit services	4,450	4,450
Other services	-	-
Total remuneration of auditors	<u>4,450</u>	<u>4,450</u>

No other services were provided by the auditors of the financial statements.

Note 15 Financial Instruments

The Association's financial instruments consist mainly of deposits with banks, receivables and payables.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements are as follows:

All financial instruments have a maturity date of less than 1 year

	Note	2017 \$	2016 \$
Financial assets			
Cash and cash equivalents	5A	77,471	149,907
Trade and other receivables	5B	16,405	581
Term Deposits	5C	443,503	323,557
CSR PEA Trust Fund Bank	19	-	-
Carrying/Fair Value Amount		537,379	474,045
Financial liabilities			
Trade payables	7A	5,220	4,751
Other payables	7B	7,577	13,747
CSR PEA Trust Fund	19	-	-
Carrying/Fair Value Amount		12,797	18,498

Note 15A: Financial Risk Management Policies

Executive Council members of the Association are responsible for monitoring and managing the Association's compliance with its risk policies. Risk management policies are reviewed by the Executive Council on a regular basis. These include credit risk policies and future cash flow requirements.

Note 15B: Specific Financial Risk Exposure

The main risk the Association is exposed to through its financial instruments is interest rate risk.

There have been no substantive changes in the types of risks the Association is exposed to, how these risks arise, the Council's objectives or policies and processes for managing and measuring the risks from the previous period.

Interest rate risk

- i) Exposure to interest rate risk arises on financial assets and liabilities at the end of the reporting period whereby a future change in the interest rate will affect future cash flows or fair values of fixed rate financial instruments.
- ii) The financial instruments that expose the Association to interest rate risk are limited to cash at bank and short term deposits. The interest rates on these financial instruments are not subject to heavy fluctuations.

Price Risk

- i) The Association is not exposed to price risk as the Association is not holding any securities that are subject to market conditions.

Credit Risk

- i) Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss by the Association.
- ii) The credit risk of the Association is low as deposits are all made to banks and other financial institutions.

Liquidity Risk

- i) Liquidity risk arises from the possibility that the Association might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to financial liabilities.
- ii) The Association manages this risk through the following mechanisms:
 - (a) Planning and monitoring cash flow requirements;
 - (b) Maintaining a reputable credit profile;
 - (c) Managing credit risk related to financial assets;
 - (d) Only investing surplus funds with major financial institutions;
 - (e) Planning and managing the maturity dates of the financial liabilities.

Note 16: Fair Value Measurement

Executive Councillors of the Association have assessed that [cash, trade receivables, trade payables, and other current liabilities] approximate their carrying amounts largely due to the short term maturities of these instruments.

The Financial Instruments table under note 15 contains the carrying amounts and related fair values for the Association's financial assets and liabilities.

Note 17: Business combinations

The Association hold no subsidiaries. There are no business combinations to report

Note 18: Administration of financial affairs by a third party 2

The financial affairs of The Association are not administered by a third party.

² Refer to item 31 in the Reporting Guidelines.

Note 19: Section 272 Fair Work (Registered Organisations) Act 2009

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

Information to be provided to members or General Manager:

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

INDEPENDENT AUDIT REPORT

To the members of CSR & HOLCIM STAFF ASSOCIATION.

I have audited the accompanying financial statements of the CSR & Holcim Staff Association, as set out on pages 5 to 34, which comprises the statement of financial position as at 30th June 2017 and the statement of comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the statement by members of the committee of management.

The committee of the CSR & Holcim Staff Association is responsible for the preparation and presentation of the financial report that presented fairly, in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and for such internal control as the committee determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

My responsibility is to express an opinion on the financial report based on my audit. I have conducted my audit in accordance with Australian Auditing Standards. Those standards require that I 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 judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

Audit opinion expressed in this report has been formed on the above basis.

The scope of the audit has not encompassed the recovery of wages activity as no recovery action took place.

The management's use of the going concern basis of accounting in the preparation of the reporting unit's financial statements is appropriate.

Audit Opinion

In my opinion the general purpose financial report is presented fairly in accordance with any of the following that apply in relation to the reporting unit:

1. The Australian Accounting Standards; and
2. Any other requirements imposed by Fair Work (Organisations) Act 2009.



Murray A. Richardson
Chartered Accountant

Auditor Registration Number 3472

87 Rosa Street, Oatley, NSW

Dated 31st day of August 2017

Approved Auditor holding current Certificate of Public Practice.

Liability limited by a scheme approved under Professional Standards Legislation.

Review of Principal Activities

The principal objectives of the CSR & Holcim Staff Association are to promote the social, economic and industrial interests and welfare of members and salaried employees, to represent members in workplace issues and grievances, to promote industrial peace, to represent the Association at tribunals and Courts in support of the membership, and to make applications to the Fair Work Commission (FWC) to register and certify Enterprise Agreements from time to time and ensure that such processes are in accordance with the *Fair Work Act 2009* and the *Fair Work (Registered Organisations) Act 2009*.

In the 2015-2016 financial year the Association and CSR Limited worked together constructively to negotiate a single-enterprise agreement to protect CSR salaried employee's entitlements, culminating in the FWC approving the *CSR Salaried Staff Agreement 2016* which commenced on 31 May 2016.

In contrast, in February 2016, Wilmar advised the Association the Company would not support the making of an enterprise agreement to protect salaried employee's entitlements and that the Company would proceed with salaried employees only having common law employment contracts. During the 2016-2017 financial year the Association's Industrial and Operating Manager assisted many Wilmar members with their new contracts. It was disappointing that Wilmar HR took the opportunity to unilaterally change the conditions in many individual contracts despite their statements in March 2016 that "*this is not a contract renegotiation process*".

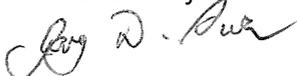
In Holcim a number of Enterprise Agreements negotiated in 2013 with nominal expiry dates in 2017 will continue to operate until they are terminated or replaced by a new agreement. The Association believes it is in the best interest of salaried employees covered by the Holcim NSW/ACT & WA Staff Agreements to allow these Agreements to continue operating and providing benefits to staff.

Recently Holcim has issued new contracts to some JG11+ staff. The Association and the employees issued with these new contracts believe that the contracts have removed conditions which were agreed between the Association and Holcim in a Memorandum of Understanding of 16 April 2014. The Association is currently making representations to Holcim on this issue.

During the 2016-2017 financial year the Association held four (4) Executive Council Meetings and the Annual General Meeting in accordance with the Association's Rules with a high level of attendance by the Executive.

The term of the current Executive Council expires in September 2017, so in June 2017 the Australian Electoral Commission called for nominations for the Council. Sadly the Association will lose two exemplary Executive Council members in the near future. The current President, Doug Sockhill, is retiring from Wilmar and the Executive Council in September, so did not stand for re-election. Doug has provided sage advice and strong leadership since joining the Executive in March 2014, and will be sadly missed. We wish him a long, happy and satisfying retirement. Phil Carter, who has been an executive Councillor since December 2009, will also leave Holcim and the Executive Council in September. Phil has always provided the Council with excellent insights and a rational and balanced view on every issue. Phil's financial acumen has also assisted the Association greatly, and we are also saddened to lose him. We wish he and his family well in whatever new endeavours they undertake.

While the Association will not have a President for the new two year term, we do expect to have all other positions filled and look forward to a number of new members joining the Executive Council shortly.



Gary Swan
Secretary



8 August 2017

Mr Gary Swan
Secretary
CSR & Holcim Staff Association
By Email: gary.swan@wilmar.com.au

Dear Mr Swan,

**Re: Lodgement of Financial Report - [FR2017/130]
*Fair Work (Registered Organisations) Act 2009 (the RO Act)***

The financial year of the CSR & Holcim Staff Association (the reporting unit) ended on 30 June 2017. This is a courtesy letter to remind you of the reporting unit's obligations regarding financial reporting.

Loans Grants and Donations Statement

The reporting unit is required to lodge a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 for the reporting unit during its financial year. Section 237 of the RO act requires this statement to be lodged with Registered Organisations Commission (the ROC) within 90 days of the end of the reporting unit's financial year, that is on or before 28 September 2017.

The attached fact sheet *Loans Grants and Donations* (FS 009) summarises the requirements of the Loans Grants and Donations Statement. A sample statement of loans, grants or donations is available on our [website](#).

It should be noted that s.237 is a civil penalty provision. If a loan, grant or donation over \$1000 has been made, failure to lodge a statement of loans, grants and donations (including failure to lodge on time) may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$105,000 for each contravention for a body corporate and up to \$21,000 for each contravention for an individual) being imposed upon your organisation and/or an officer whose conduct led to the contravention.

Financial report

The RO Act sets out a particular chronological order in which your financial report must be prepared, audited, provided to members, presented to a meeting and then lodged with the ROC. The attached document *Summary of Financial Reporting timelines* (FS 008) summarises these requirements.

We emphasise that the reporting unit is required to present its audited financial report to a meeting (either of members or of the committee of management, depending on your rules) no later than 31 December 2017 (s.266). The full financial report must be lodged with the ROC within 14 days of that meeting (s.268).

When assessing your financial report, we will continue to focus closely on timelines as well as how loans, grants and donations are reported. The financial report must break down the amounts of grants and donations and these figures will be compared to the loans, grants and donations statement (see attached *Loans Grants and Donations* fact sheet FS 009).

You can visit our website for more information regarding [financial reporting](#), and fact sheets regarding [financial reporting processes and requirements](#). A model set of financial statements developed by the ROC is also available on our website. It is not obligatory to use this model but it is a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards.

It should be noted that s.268 of the RO Act is a civil penalty provision. Failure to lodge the full financial report (including failure to lodge on time) may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$105,000 for each contravention for a body corporate and up to \$21,000 for each contravention for an individual) being imposed upon your organisation and/or an officer whose conduct led to the contravention (s.268).

Auditor's report

When assessing the financial report we will also focus on the structure and content of the auditor's report to ensure that it complies with the revisions made to the Auditing Standards which came into effect from 15 December 2016. Please find below a guidance note *Illustrative Auditor's Report* (GN 004) relating to these requirements (which can also be located on our website).

REMINDER

YOUR AUDITOR MUST BE REGISTERED (s.256)

You must ensure that your auditor is registered by the Registered Organisations Commissioner. A list of registered auditors is available on our [website](#).

Contact

Should you require any clarification in relation to the above, please email regorgs@roc.gov.au.

Yours faithfully,

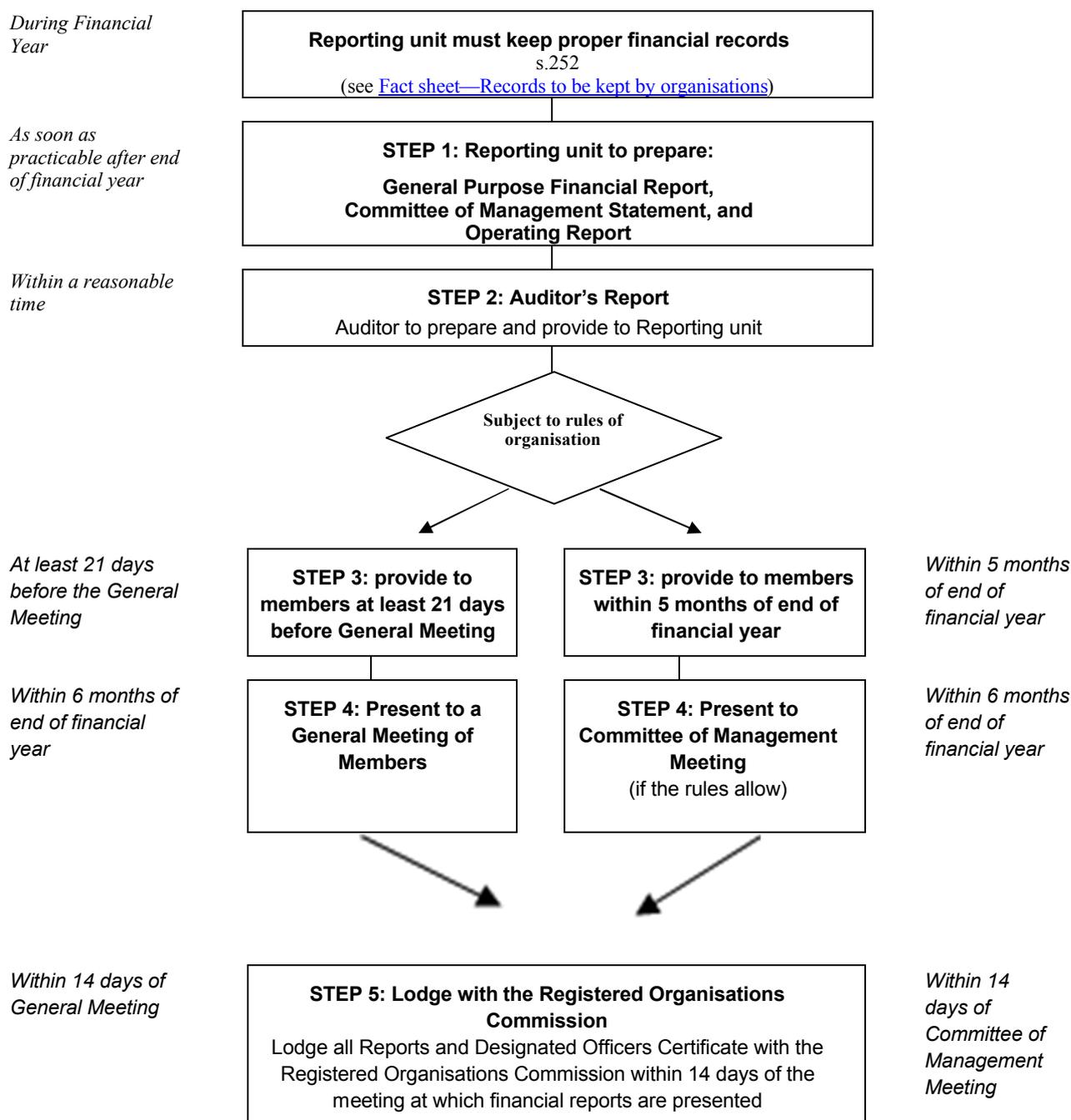
Carolyn Moloney
Registered Organisations Commission



Fact sheet

Summary of financial reporting timelines – s.253 financial reports

See Fact sheet—Financial reporting for an explanation of each of these steps.





Fact sheet

Loans, Grants & Donations

The Loans, Grants & Donations Requirements

The *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires an organisation or branch to lodge a loans, grants and donations statement (the statement) within **90 days** of the ending of the financial year.

Under the Commissioner's Reporting Guidelines, a reporting unit's General Purpose Financial Report (the financial report) must break down the amounts of grants and donations (see below). The figures in the financial report will be compared to the loans, grants and donations statement.

The Loans, Grants & Donations Statement

Section 237 of the RO Act applies to every loan, grant and donation made by an organisation or branch during the financial year that exceeds \$1000. The following information must be supplied to the Registered Organisations Commission (the ROC) for each relevant loan, grant or donation:

- the amount,
- the purpose,
- the security (if it is a loan),
- the name and address of the person to whom it was made,* and
- the arrangements for repaying the loan.*

*The last two items are not required if the loan, grant or donation was made to relieve a member of the organisation (or their dependent) from severe financial hardship.

The statement must be lodged within 90 days of the end of the financial year and the ROC has a [Template Loans, Grants and Donations Statement](#) on its website. The ROC encourages branches and organisations to lodge the statement even if all of the figures are NIL.

Common misconceptions

Over the years, staff of the Commission have noted that there are some common misunderstandings made in relation to the Statement. They include:

Misconception	Requirement
 Only reporting units must lodge the Statement.	 All branches and organisations, regardless of whether they lodge a financial report, must lodge the statement within 90 days of the end of the financial year. An organisation cannot lodge a single statement to cover all of its branches.
 Employees can sign the Statement.	 The statement must be signed by an elected officer of the relevant branch.

	Statements can be lodged with the financial report.		The deadline for the statement is much shorter (90 days) and if it is lodged with the financial report it is likely to be late.
---	---	--	---

Grants & Donations within the Financial Report

Item 16(e) of the Commissioner's Reporting Guidelines requires the reporting unit to separate the line items relating to grants and donations into grants or donations that were \$1000 or less and those that exceeded \$1000.

As such, the note in the financial report relating to grants and donations will have four lines. In the [ROC's Model Statements](#) the note appears as follows:

Note 4E: Grants ~~OR~~ donations*

Grants:	[Current year]	[Previous year]
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Total grants or donations	-	-

The Commissioner's Reporting Guidelines requires that these line items appear in the financial report even if the figures are NIL.

Implications for filing the Financial Report

During their review of the financial report staff of the ROC may confirm that the figures in the financial report match the disclosures made in the statement. Any inconsistencies in these figures will be raised with the organisation or branch for explanation and action.

This may involve lodging an amended loans, grants or donations statement. Any failure to lodge a loans, grants or donations statement or lodging a statement that is false or misleading can attract civil penalties under the RO Act.

If a reporting unit did not fully comply with these requirements in their last financial report, its filing letter will have included a statement reminding the reporting unit of its obligations.

It is strongly recommended that all reporting units review their filing letters from the previous financial year to ensure any targeted concerns are addressed in their latest financial report. Failure to address these individual concerns may mean that a financial report cannot be filed.

Previous financial reports and filing letters are available from the website.

Further information

If you have any further questions relating to the loan, grant and donation disclosure requirements in the statement or the financial report, please contact the ROC on regorgs@roc.gov.au



Guidance Note

Illustrative Auditor's Report under section 257 of the *Fair Work (Registered Organisations) Act 2009*

Prepared and issued by the Registered Organisations Commission

Version	Date published
1	4 August 2017

1. Introduction

The purpose of this guidance note is to provide Registered Organisations with guidance on the revised Australian Auditing Standard ASA 700 *Forming an Opinion and Reporting on a Financial Report* (ASA 700), as issued by the Auditing and Assurance Standards Board ('AUASB').

An 'Illustrative Auditor's Report' is included to assist Registered Organisations to understand the new auditing requirements.

2. Background to the revised Auditing Standard

From 15 December 2016, the structure of the Auditor's Report changed as a result of revisions made to the Australian Auditing Standards (ASAs). The changes impact all auditors' reports prepared in accordance with the ASAs.

The purpose of the change is to:

- enhance the communicative value of the Auditor's Report;
- give prominence to the most important matters by re-ordering the content;
- enhance reporting on going concern matters (if applicable), and provide enhanced descriptions of the respective responsibilities of management and the auditor, in relation to going concern;
- provide an affirmative statement on auditor's independence and fulfilment of relevant ethical responsibilities;
- provide more information to users on the auditor's responsibilities, and the key features of an audit and;
- provide details of other information the auditor has received at the date of the Auditor's Report, and is expected to receive after the date of the Auditor's Report¹.

3. Key changes included in the illustrative Auditor's Report

Description	Auditing standard ref.	Comments
Structure of the auditor's report	ASA 700.21-52	The form and structure of the audit report have been reorganised due to changes in the Australian Auditing Standards.
Basis for opinion	ASA 700.28c	Requires references in the audit report to the applicable ethical standards e.g. APES 110 <i>Code of Ethics for Professional Accountants</i> .
Other information	ASA 700.32 ASA 720	ASA 720 now requires that the auditor 'read and consider' if the Other Information (including but not limited to the Operating Report) is materially inconsistent with the financial statements, or the auditor's knowledge obtained in the audit.
Committee of Management's responsibilities for the preparation of the financial report	ASA 700.33-36	ASA 700.34b has been added to reflect changes made in ASA 570. The changes emphasise that it is management's responsibility for assessing whether the use of the going concern assumption is appropriate. The auditors' roles and responsibilities related to going concern have not changed.
Auditor's responsibilities for the audit of the financial report	ASA 700.37-40	These paragraphs have been expanded to clarify the detailed nature and scope of the auditor's existing responsibilities and procedures, and to make an explicit relationship of material misstatements to fraud or error.
Report on other legal and	ASA 700.43-45	This section is only applicable if there are other matters to report as required by other legislation.

¹ Adapted from 'Auditor Reporting FAQs' – Auditing and Assurance Standards Board - <http://www.auasb.gov.au/Publications/Auditor-Reporting-FAQs.aspx>

Description	Auditing standard ref.	Comments
regulatory requirements		<p>Under sections 257(6) and (7) of the <i>Fair Work (Registered Organisations) Act 2009</i> ('RO Act'), the auditor is required to report on any instances of non-compliance or deficiency or shortcoming with respect to financial record-keeping, and section 257(2) of the RO Act requires auditors to report on access restrictions to the financial records of the organisation.</p> <p>This section is not required if there are no matters to report.</p>

4. Key changes not reflected in the illustrative Auditor's Report

Description	Auditing standard ref.	Comments
Key Audit Matters	ASA 700.30-31, A41 ASA 701	<p>ASA 701 provides additional disclosures for entities listed on a securities exchange to communicate key audit matters ('KAMs') in the auditor's report. KAMs are those matters that, in the auditor's judgement, are of most significance to the audit of the financial statements of the current financial period.</p> <p>At this point in time, the ROC does not require the inclusion of KAMs.</p>

The numbered references in the Illustrative Auditor's Report refer to the explanatory paragraphs in section 5 of this Guidance Note 'Illustrative Auditor's Notes'. The Illustrative Auditor's Report is also included in the 'Model Financial Statements' published on the Registered Organisations Commission's website.

<To be printed on Auditor letterhead>

Independent Audit Report to the Members of <name of Reporting Unit>

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of <name of Reporting Unit> (the Reporting Unit), which comprises the statement of financial position² as at <balance date>, the statement of comprehensive income³, statement of changes in equity⁴ and statement of cash flows⁵ for the year ended <date>, notes to the financial statements, including a summary of significant accounting policies; and the Committee of Management⁶ Statement.

In my opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of <name of Reporting Unit> as at <balance date>, and its financial performance and its cash flows for the year ended on that date in accordance with:

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

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

Basis for Opinion

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

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

Information Other than the Financial Report and Auditor's Report Thereon⁷

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

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

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

² Refer to paragraph 9 in Section 5 Illustrative Auditor's Report Notes in this Guidance Note

³ Ibid paragraph 9

⁴ Ibid paragraph 9

⁵ Ibid paragraph 9

⁶ Ibid paragraph 10; note if this is changed to another descriptor all other references in the Report should be changed to the other descriptor

⁷ Ibid paragraph 7

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Committee of Management for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the Reporting Unit audit. I remain solely responsible for my audit opinion.

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

I declare that I am an approved auditor, a member of [name of appropriate professional accounting body] and hold a current Public Practice Certificate.

[Report on Other Legal and Regulatory Requirements]⁸

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

My opinion on the financial report is not modified in respect of the following matter(s) because, in my opinion, it has been appropriately addressed by [Reporting Unit] and is not considered material in the context of the audit of the financial report as a whole:

[Example:

a) [Reporting Unit] failed to keep [name of other record] as required by section 252 of the RO Act for the period 1 July 20XX to 4 July 20XX inclusive.]]

[Report on the Recovery of Wages Activity financial report]⁹

Opinion on the recovery of wages activity financial report

The scope of my work extended to the recovery of wages activity and I have audited the recovery of wages activity financial report for the year ended <date>.

In my opinion, the financial statements and notes and recovery of wages activity financial report properly and fairly report all information required by the reporting guidelines of the General Manager, including:

- (a) any fees charged to, or reimbursements of expenses claimed from, members and others for recovery of wages activity; and
- (b) any donations or other contributions deducted from recovered money.

Responsibilities

The Committee of Management is responsible for the preparation and presentation of the recovery of wages activity financial report in accordance with the reporting guidelines of the General Manager. My responsibility is to express an opinion on the recovery of wages activity financial report, based on my audit conducted in accordance with Australian Auditing Standards.

<Audit Firm Name>

<Name>

Partner

⁸ Ibid paragraph 11

⁹ Ibid paragraph 11

<City>
<Date>

Registration number (as registered by the RO Commissioner under the RO Act)¹⁰: <insert number>

¹⁰ Ibid paragraph 12

5. Illustrative Auditor's Report Notes

For the purpose of this illustrative Auditor's Report, the following circumstances are assumed:

1. The financial report is prepared by management of the Reporting Unit in accordance with Australian Accounting Standards and the RO Act.
2. The terms of the audit engagement reflect the description of management's responsibility for the financial report in *ASA 210 Agreeing the Terms of Audit Engagements*.
3. The auditor has concluded an unmodified opinion is appropriate based on the audit evidence obtained.
4. The relevant ethical requirements that apply to the audit are the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants*.
5. Based on the audit evidence obtained, the auditor has concluded that a material uncertainty does not exist related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern in accordance with *ASA 570 Going Concern*.
6. The auditor is not required, and has otherwise not decided, to communicate key audit matters in accordance with *ASA 701 Communicating Key Audit Matters in the Independent Auditor's Report*.
7. The section on 'Information Other than the Financial Report and Auditor's Report Thereon' is customised depending on the nature of the Other Information received and when this information was received. The template provided assumes that the nature of the Other Information is the Operating Report and that it was received on or before the date of the audit report. If there is Other Information that accompanies the financial report in addition to the Operating Report, or if the Operating Report or any additional Other Information was not received on or before the date of the audit report, please refer to the requirements stated in *ASA 720 The Auditor's Responsibilities Relating to Other Information* for example wording.
8. The subheading 'Report on Other Legal and Regulatory Requirements' is only applicable where the auditor includes 'Other reporting responsibilities' in accordance with *ASA 700 Forming an Opinion and Reporting on a Financial Report*. Please delete the 'Report on Other Legal and Regulatory Requirements' section if there is no deficiency, failure or shortcoming to report.
9. Please ensure that the financial statement descriptions used in the Auditor's Report agree with those used in the financial report, for example, 'balance sheet' or 'statement of financial position'.
10. Use of 'Committee of Management' in the model auditor's report represents those charged with governance for the registered organisation, and can be replaced with other descriptors as appropriate for the organisation, for example, 'Council of Management', 'Executive Committee', etc.
11. If the Registered Organisation has not undertaken any recovery of wages activity during the reporting period the auditor's report should state that fact with reference

to the Committee of Management Statement, and no opinion can be provided in relation to recovery of wages activity.

12. Auditors must be registered by the Registered Organisations Commissioner. Your registration number under the RO Act will commence with the letters 'AA'.

© Commonwealth of Australia 2017

This guidance note is not intended to be comprehensive. It is designed to assist with making an application to the Registered Organisations Commission and its work. The Registered Organisations Commission does not provide legal advice.