



# Fair Work Australia

10 December 2009

Mr Sam Popovski  
Section Secretary  
CPSU, the Community and Public Sector Union  
PSU Group, CSIRO Section  
Level 10, 440 Collins Street  
MELBOURNE VIC 3000

Email - [csstaff@cpsu.org.au](mailto:csstaff@cpsu.org.au)  
Fax - [0386206347@faxmaker.com](mailto:0386206347@faxmaker.com)

Dear Mr Popovski,

**Re: Financial Report - year ending 30 June 2009 - FR2009/242**  
**Fair Work (Registered Organisations) Act 2009 (RO Act)**

The financial report for the CSIRO Section of the PSU Group of the CPSU, the Community and Public Sector Union for year ending 30 June 2009 was lodged on 8 December 2009.

The documents have been filed.

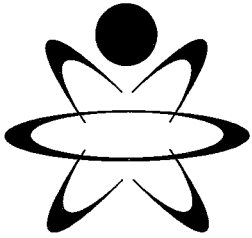
If you have any queries regarding financial reporting under the RO Act please contact me.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Andrew Schultz".

Andrew Schultz

Tribunal Service & Organisations



CSIRO Staff - CSIRO'S Future

**CSIRO Staff Association**

A Section of the Community and Public Sector Union



### **Certificate of Secretary**

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

I, SAM POPOVSKI, being SECTION SECRETARY OF THE CSIRO SECTION of the COMMUNITY AND PUBLIC SECTOR UNION (CPSU), 10<sup>TH</sup> FLOOR, 440 COLLINS STREET, MELBOURNE VIC 3000 (also known as the CSIRO Staff Association), certify that the full financial reports, comprising the audited financial statements and operating report for the year ending 30 June 2009 were made available to all members of the Section on 9 November 2009.

On that day, the Full Report was emailed to all members and made available on the CSIRO Section/CPSU website. All workplace delegates and contacts and retired members received hard copies of the Full Report.

The first meeting, a meeting of the Committee of Management, held in Brisbane (CSIRO Cleveland laboratories) on 9 and 10 October 2009, accepted the audited General Purpose Financial Report and Operating Report for 2008-09.

The second meeting, a general meeting of members, held in Melbourne (CSIRO Aspendale laboratories) on 2 December 2009, accepted the audited General Purpose Financial Report and Operating Report for 2008-09.

Please find enclosed a copy of the Full Report of the CSIRO Section of the CPSU (CSIRO Staff Association) that was provided to members of the Section on 9 November 2009 and accepted by a general meeting of members on 2 December 2009.

Sam Popovski  
Section Secretary

4 December 2009



**CSIRO Staff Association  
Operating Report 2008-09**

**OUR CAUSE**

- To protect and progress the interests of our members in CSIRO and in society
- We do this as the democratic voice for staff
  - We advocate for CSIRO and science
  - We provide the means to promote a community of staff in CSIRO so that we can assist members to enforce their rights

## Foreword from the Association President, Michael Borgas

Another year has flown by with a period of significant change for the Staff Association.

In the closing months of 2008 we completed and implemented our current *Enterprise Agreement*. This delivered improving conditions against a backdrop of a deteriorating global economy and intensifying social needs for the creative drive of science, technology and innovation, for both economic and environmental sustainability.

The bottom-up nature of science is now widely recognised, by our agreement, by influential government reviews, and by government itself, and the challenge is to adapt efficiently and innovatively to the multiple pressures.

The unions overall have rising influence, with peak-body activity on Climate Change, Innovation Councils, and national social and economic well being. Our own broader union, the *Community and Public Sector Union*, is rapidly adapting to the changing world, with its renewed focus on member engagement, building delegate structures, bringing our stronger collective voices to negotiations with government on pay, conditions and job satisfaction in public service.

The Staff Association has always had a strong and forthright culture of member, delegate and council voices to direct our own interests, which is always a challenging blessing! We had an unusual year of protests and debates along with some of the changes that are occurring.

We welcome our new secretary Sam Popovski to the role of secretary in these interesting times. The drive of Pauline Gallagher as our former secretary over the last five years in highly union-unfriendly times will be a lasting inspiration for me. The new tasks for Sam are different, but equally challenging. These are reflected in the challenges that CSIRO management, and through our agreement, we all have.

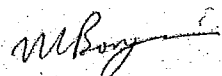
Together we need to find constructive and efficient ways to use good ideas from our members. We all struggle within complex and inefficiently bureaucratic processes: the matrix, SAP, SIP, which all need simpler solutions and soon. We need to create sustainable and productive work. All of society needs to innovate in this way and CSIRO, with the help of our members, should lead the way.

Harnessing and managing science in innovative ways requires us to engage ever more with our delegate structures and consultative processes. CSIRO executives will listen to well-gathered targeted input. We have new opportunities to influence government through the union. We have a growing influx of young talented staff into the organisation. To progress we need to engage with each other, including new and experienced staff, all functional areas, and people inside and outside of CSIRO. This requires simplifying the ways we work, and a willingness to broaden our minds together and contribute cooperatively.

Sam, along with Paul Girdler, the new lead organiser, and the team of organisers around the country are working towards renewing and strengthening our structures. We are increasing our engagement with the CPSU supports and influence, and we are moving towards a stronger, active and influential future. Change is never easy and we never get everything right, but we hope we can better serve the members and improve CSIRO with our efforts. The first steps are to keep in touch and share your thoughts, both by talking to your local delegates or organisers, and especially to non-members.

In my experience the past year has seen striking change: new Staff Association structures, a new CEO, a strong budget for science, and a strong voice of science in policy and economy. CSIRO is proud public infrastructure worth fighting for and improving.

In unity, I thank the secretary, staff and honorary officers of the union for another proud year of Staff Association achievements.



## About the Association

The CSIRO Staff Association (the Association) is a Section of the Community and Public Sector Union (PSU Group).

The Association represents the professional and industrial interests of members employed in the CSIRO, the Anglo Australian Observatory (AAO), the National Measurement Institute (NMI), Co-operative Research Centres (CRCs), and members who have been previously employed by these organisations (retired members). We also provide representation to student members who are conducting research for their qualification in these organisations.

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

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

The Association's primary source of income is from member subscriptions, which for the year to 30 June 2009 were 0.55% of gross salary for full members; \$25 for retired members and \$10 for student members.

Subscription income for 2008-09 was \$1,163,874, an increase of \$20,795 compared to the previous year. The Association also receives income from its cash deposits and equity investments. In the 2008-09 financial year, the combination of interest and investment income contributed \$75,485, approximately 6% of total income.

The largest component of the Association's expenditure was on salaries and related costs totalling \$718,401 (approximately 60% of total expenditure). This was a decrease of \$131,616 compared to the previous year as a result of an overall decline of staffing levels over the year by one FTE as well as reduced staffing costs including annual leave provisions.

The Association's financial performance resulted in a net surplus of \$45,272 or approximately 4% of total income. This result was broadly consistent with the Association's objective to operate a small budget deficit of \$43,942 for the year.

## Membership

Membership of the Association at 30 June 2009 was 3135 members of which 2939 were financial. This was a decrease of 152 financial members compared to the previous year. The decline was largely attributable to 202 members who left their employment. There were only 20 cancellations compared to 25 in the previous year. Recruitment of new members fell to 175 compared to the previous year's high of 402, which resulted during the intense period of the last enterprise bargaining campaign.

Membership in the Anglo-Australia Observatory (AAO) grew by 1 to 23 in 2009. The Association does not recruit new members in the National Measurement Institute but continues to provide service to 45 members retained from the former National Measurement Laboratory.

Membership Year to 30th June 2009							
	Recruited	Cessations			Membership		
		Cancelled*	RRR#	Total	Unfinancial	Financial	Total
ACT	24	5	50	55	33	504	537
NA	3	0	6	6	1	67	68
NSW	29	3	34	37	46	521	567
QLD	23	4	42	46	4	364	368
SA	11	1	16	17	10	208	218
TAS	4	1	5	6	12	174	186
VIC	64	5	37	42	71	883	954
WA	17	1	12	13	19	218	237
<b>TOTAL</b>	<b>175</b>	<b>20</b>	<b>202</b>	<b>222</b>	<b>196</b>	<b>2939</b>	<b>3135</b>

\* Left the Association but not their employment

# Left their employment (resigned, retired, redundant)

The ongoing imperative to retain and grow our membership density in CSIRO and the AAO remains a priority if the Association is to succeed in furthering the interests of our members. The Association has significant challenges ahead to build membership density in growing areas of CSIRO which have not traditionally had a strong union presence. Facilitating the role and activity of our workplace delegates continues to be our best opportunity to grow and represent members across CSIRO and the AAO.

The low cancellation rate is a strength that helps the Association to advocate for members with a truly representative and democratic voice. Members have the right to resign at any time by providing a written notice of resignation to the Association Secretary, in accordance with Rule 5.3 of Chapter B of the CPSU (PSU Group). At least two weeks' notice is required except where the member ceases to be eligible to be a member of the Association. The rules of the CPSU (PSU Group) are available at: <http://www.airc.gov.au/organisations/list/090vpsu.htm>

## Association Structure

The Committee of Management is the Association (or CSIRO Section) Council. The Council is an elected body with an Executive and Councillors representing the Sub-Sections.

Council carries the responsibility for governance of the Association within the CPSU. It also develops Association policy at a national level, contributes to CPSU policy, determines national campaigns and activities and represents issues affecting the membership in all parts of the Association. The Executive members perform leadership roles within the Council and regularly meet to oversee and implement operations.

The elected Council Officers for 2008-09 were:

### Executive

Section President	Michael Borgas
Section Deputy Presidents	Christiane Ludwig Steve McEvoy
Section Secretary	Pauline Gallagher (until 31 December 2008) Sam Popovski (from 1 January 2009)
Section Treasurer	Vacant (until 31 December 2008) Phil Hendry (from 1 January 2009)

### Councillors

ACT Councillor	Eric Hines (until 31 December 2008) Janet Anstee (from 1 January 2009)
NA Councillor	Garry Rabbett (until 31 December 2008) Scott Wilkinson (from 1 January 2009)
NSW Councillor	Phil Hendry (until 31 December 2008) Suzy Jackson (from 1 January 2009)
QLD Councillor	Ian McLeod
SA Councillor	Ilma Lo Iacono (until 31 December 2008) Vacant (from 1 January 2009)
TAS Councillor	Neil White (until 31 December 2008) Vacant (from 1 January 2009)
VIC Councillor	Greg Short (until 31 December 2008) Carl Braybrook (from 1 January 2009)
WA Councillor	Suzy Rea (until 31 December 2008) Elizabeth Hulm (from 1 January 2009)

The above list does not contain details of officers who were appointed by the Association Council and served in an acting capacity. This information is available from the Minutes of the Association's Council meetings.

The Association has representation on the CPSU Governing Council. Until 31 December 2008, this comprised Christiane Ludwig, Pauline Gallagher (*ex officio*) and Michael Borgas (appointed *pro tem* to a casual vacancy). From 1 January 2009, the representatives were Greg Short, Michael Borgas (*ex officio*) and Sam Popovski (*ex officio*). Greg Short resigned from Governing Council on 20 April 2009 after which the position has been vacant.

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

Workplace Delegate and Deputy Delegate elections are held annually, with nominations called in June. Following the 2009 elections, there were over 100 workplace delegates and support contacts in the Association.

## Association Council Business

In 2008-09, the Association Council met formally on seven occasions: two in face, one by videoconference and four by telephone. All meetings have Minutes which record the motions and actions of Council.

The major activity between July and December 2008 was the finalisation of the CSIRO enterprise bargaining campaign. The Association (together with the AMWU and ETU) completed negotiations with CSIRO management in August and a new Enterprise Agreement (2008-2011) came into effect on 3 December 2008. The agreement included the following important components:

- **Salary and allowance increases**  
Salary increases of 5.6% effective from 11 December 2008 and 5.1% effective from 9 December 2009. Most allowances to be increased in line with salary increases.
- **Superannuation**  
Staff ineligible to join CSS, PSSdb or PSSap superannuation funds to receive an employer superannuation contribution of 15.4% (as opposed to the legislated minimum of 9%).
- **Leave changes**  
Introduction of deeming for recreation leave and a one-off cash out to assist reduction of leave credits below the deeming limit. Sick and carers leave combined and miscellaneous (formerly personal) leave provisions expanded.
- **Staff participation**  
New enforceable partnerships established between staff and CSIRO management to reduce bureaucracy; implement sustainability measures; and facilitate opportunities to support innovation and creativity.
- **Improved consultation**  
A requirement for CSIRO management to consult with the parties to the agreement (including the Staff Association) on any proposed changes to CSIRO Policy or Terms and Conditions of Service.
- **CSOF Level 7 and above reviews**  
The introduction of performance reviews every five years for officers who are newly appointed or promoted to positions at CSOF Level 7 and above after 3 December 2008.
- **Redundancy changes**  
The establishment of a minimum redeployment period of 8 weeks for all staff. Offset by reduced income maintenance of 8 months (from 14 months) for officers over 45yo with less than 20 years of service.

In 2009, the 'Know Your Rights' series of bulletins were rolled out to members. The bulletins are designed to enable staff at CSIRO to better understand and enforce their rights at work. Initial topics included rights to representation and consultation.

The Staff Association is continuously ensuring that the rights and conditions of all our members are enforced, no matter if those conditions are contained in the Enterprise Agreement, in Terms and Conditions of Service, in organisational policy or in legislation. This role is a critical one and has not become any easier because of the application of the *Fair Work Act 2009* transitional legislation.

Between January and June 2009, the newly elected Association Council established and commenced implementation of a number of campaigning and activity priorities for 2009, based on feedback from members and Sub-Section Delegates Committees. These priorities were:



- **Classifications and Merit**  
This includes addressing inconsistencies between and within CSIRO business units with classifications that relate to appointments and promotions; procedural fairness in promotion processes; and the application of Clause 11 contracts.
- **Bureaucracy**  
This includes the systems and processes within CSIRO that frustrate and prevent staff from getting on and doing their job. In particular the SAP system and its implementation, the matrix structure and effort logging process.
- **Sustainability**  
This includes encouraging staff participation and activism on sustainability issues in the workplace. Externally, working with other unions and the ACTU to promote community awareness, including the importance of research.
- **Innovation and Creativity**  
This includes enabling opportunities to enhance individual and team creativity and improved consultation with staff on the Science Investment Process. Advocating for essential capabilities such as technical staff, IT and workshops.
- **Accommodation**  
Supporting staff at a local level with accommodation issues including changes to sites and buildings. Ensuring appropriate consultation with staff and representing concerns about inadequate work spaces such as open plan offices.
- **Bullying and Stress**  
This includes the Psychological Health and Wellbeing initiative to address structural and operational stressors experienced by staff. In addition a complete review of the CSIRO bullying and harassment policy.
- **Building CSIRO community**  
This includes addressing barriers to staff participation in collective activities or citizenship roles such as Association activities, health and safety representatives, equity and diversity officers, social clubs and volunteer groups in the workplace.
- **CSIRO-wide staff survey**  
An initiative in partnership with academic researchers to conduct a CSIRO-wide staff survey on the current work environment. The results of the survey to be utilised in a number of campaigns including the next enterprise bargaining campaign.

## **Occupational Health, Safety and Environment**

The Occupational Health and Safety (OHS) Policy Committee is a committee of Staff Association members who provide representation from each Sub-Section on occupational health and safety issues. The committee develops strategy and consider issues on behalf of members that are taken up at the CSIRO Health Safety and Environment Committee.

Following changes to the *OHS Act* by the Howard Federal Government, CSIRO implemented its own Health and Safety Management Arrangements (HSMAs). The arrangements remove the role of unions in conducting Health and Safety Representative elections but still require CSIRO to consult with staff on changes in OHS.

This year, the Staff Association has been most active in pursuing Psychological Health and Wellbeing (see below) as well as ensuring the implementation of the CSIRO Environmental Sustainability Strategy. Other OHS activities have included a new Clause on Health and Safety Representatives (HSRs) in the Enterprise Agreement, ongoing support for HSRs in the workplace, requests for OHS assessments of new and existing buildings such as the Boggo Road development and highlighting serious risks such as asbestos.

The Staff Association offers limited income protection for members without sick leave credits who are seriously injured on their journey to or from work. This members-only cover was taken up by the Association following changes to workers' compensation arrangements which removed this protection for staff at CSIRO.

## **Psychological Health and Wellbeing**

After years of advocacy by the Association, a Psychological Health and Wellbeing Working Group was established by CSIRO in early 2008 to progress this important issue. The Association Council appointed WA Councillor Elizabeth Hulm as our representative on this group. The group, chaired by the Chief of Land and Water, Neil McKenzie, conducted research and interviewed a number of staff in their deliberations.

A final report from the Working Group was submitted to the CSIRO Executive Team in April 2009. The Association believes that the initiative should lead to improvements in a range of areas including the matrix structure; allocations policy; Science Investment Process; project management; linkages between science and support staff; and psychological health and wellbeing programs.

## **Science Policy**

The Association has continued to be very active in advocating for CSIRO and for Australian science and research. This has included representation by President Michael Borgas on the Board of the Federation of Australian Scientific and Technological Societies (FASTS). The annual Science Meets Parliament event organised by FASTS was again a tremendous success this year and the Association sponsored the participation of members Gavin Collis and Tony Vuocolo.

The Review of the National Innovation System was concluded this year with the publication of the 'Venturous Australia' report. The Association made a supplementary submission which highlighted a number of issues including funding for government science agencies; industrial and incremental innovation; innovation leadership through employees; training and development; open access provisions; food security; science collections; internationalisation; and advice to government. The report identified opportunities and provided a positive framework for action for Minister Kim Carr and the government.

In May 2009, as part of the Federal Budget outcomes, Minister Carr announced a number of new measures to increase funding for R&D including for the government science agencies. For CSIRO, this resulted in increased direct appropriation funding of 6.4%; \$120m for a new National Research Vessel; \$30m to expand the Atlas of Living Australia Collections and \$80m for a new Square Kilometre Array Centre in partnership with universities. The Association also welcomed the new Super Science, Clean Energy and commercialisation initiatives which should facilitate adoption of CSIRO's research into renewable and solar technologies, energy efficiency and carbon capture and storage.

The year also saw significant developments for scientific freedom with the adoption of the Charter for CSIRO. The Association believes the Charter is an important first step in supporting members in advocating for their science and ensuring that government is provided with frank and fearless scientific and policy advice. More needs to be done internally within CSIRO to promote awareness of the Charter and facilitate its objectives within the research activities conducted by members.

Importantly during this year, the Association continued to facilitate the participation of members in women in science initiatives. This included events coordinated by FASTS, but notably included participation of ACT members in the annual Association International Womens Day event (with special guest speaker Chief Scientist Penny Sackett; see photo below) and initiatives with members in the Division of Land and Water in particular. The Association hopes that these activities can be evolved more broadly across the membership in coming years.



## **CSIRO Consultative Council**

The CSIRO Consultative Council is established under the *Science and Industry Research Act 1949* and is the forum where unions meet twice a year with CSIRO Executive and Corporate Management. The Association Council is responsible for appointing our delegation who advocate on behalf of staff at CSIRO. The two meetings of the CSIRO Consultative Council this year were on 25 November 2008 in Canberra (with CEO Geoff Garrett) and 10 March 2009 in Melbourne (with CEO Megan Clark).

The 25 November meeting focussed on psychological health and wellbeing, health and safety management arrangements, the environmental sustainability strategy, SAP, effort logging, support services and the diversity plan. The 10 March meeting agenda included the CSIRO budget and finances, Flagships, the matrix structure and standing items on bureaucracy, sustainability and innovation and creativity.

## **John Little Scholarship**

Every year the Association awards up to four scholarships in memory of the late John Little, an active and committed stalwart of the former CSIRO Technical Association. The \$750 scholarships are awarded in recognition of the ongoing professionalism of technicians. The funds can be used for study expenses and members in the technical ranks, who are studying towards their first degree qualifications, are eligible.

The recipients of the John Little Scholarships this year were Lisa Brindley (QLD), Jerry Copleman (TAS), Kerryn Saltmarsh (VIC), and Kate Shaw (ACT).

## **Our Team**

The main office of the Association is in the Melbourne office of the CPSU at 10/440 Collins Street, Melbourne VIC 3000. The Association also has staff in CPSU offices in Adelaide, Brisbane and Canberra.

The Section Secretary position, like other Association Council positions, is elected by the membership. It is the only salaried position on the Association Council with responsibility for the operations of the Association and management of the team of organising and support staff. This position was held by Pauline Gallagher up to 31 December 2008 and then by Sam Popovski from 1 January 2009.

At 30 June 2009, the team members were:

<b>Organising Staff</b>	<b>Location</b>	<b>Responsibility</b>
Paul Girdler	Melbourne	Lead/National Organiser
Rod Drinkwater	Canberra	ACT and Southern NSW
Louise Jarman	Melbourne	VIC and TAS
Merle Thomas	Brisbane	QLD and NA
Ian Treloar	Adelaide	SA and WA
<b>Support Staff</b>		
Angela Fang Yuan	Melbourne	Finance and Membership Officer
Julie Carlin	Melbourne	Administrative and Organising Support

During the year, the Association had a number of significant changes in staffing including the loss of April Byrne (VIC and TAS), Nathan Oakes (Enterprise Bargaining Campaign Organiser) and Ben Peters Jones (NSW Organiser). As of 30 June 2009, the position of NSW Organiser was not yet filled.

## **Financial Changes of Note in 08/09**

The Association returned an overall operating surplus for the year of \$45,272. This result compared to the budgeted deficit for the year of \$43,942. The difference of \$89,214 was largely due to over-budgeting of staffing-related expenditures from 1 January 2009.

The Association's return on investment income was down from \$71,062 in the previous year to \$27,824 this year. This was a consequence of the global financial crisis on equities, which reduced the market value of the Deutsche Bank investment account to \$667,933 from \$818,536 in the previous year. The interest income from cash deposits was also reduced to \$47,662 this year from \$55,993 in the previous year, due to lower bank interest rates.

Overall expenditure was down from \$1,427,663 in the previous year to \$1,195,026 this year. This was mainly attributable to the non-continuation of the Your Rights At Work campaign contribution of \$156,469 from the previous year. As stated previously, reduced staffing-related expenditures, including annual leave provisions, also contributed to this result.

## **Statements on Superannuation Trustees and Reporting**

The CSIRO Staff Association does not have any officer or member who is known to be:

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

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



Sam Popovski  
Secretary  
12 October 2009

## CSIRO STAFF ASSOCIATION

### COMMITTEE OF MANAGEMENT CERTIFICATE

On *the 9th of October 2009* the Committee of Management of CSIRO Staff Association passed the following resolution in relation to the general purpose financial report of the reporting unit for the financial year ended 30 June 2009:

The Committee of Management declares in relation to the general purpose financial report that in its opinion:

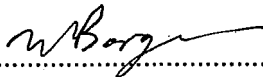
- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the Reporting Guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial 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;
- (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) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
  - (v) 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
  - (vi) there have been no orders for inspection of financial records made by the Commission under section 273 of the RAO Schedule during the period.
- (f) in relation to recovery of wages activity:
  - (i) the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the Industrial Registrar; and
  - (ii) the committee of management caused the auditor to include in the scope of the audit required under section 257(1) of the RAO Schedule all recovery of wages activity by the reporting unit in which revenues had been derived for the financial year in respect of such activity; and
  - (iii) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers other than reported in the financial report on recovery of wages activity and the notes to the financial statements; and

# CSIRO STAFF ASSOCIATION

## COMMITTEE OF MANAGEMENT CERTIFICATE

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

For the Committee of Management:



.....  
**MICHAEL BORGAS**  
Section President



.....  
**SAM POPOVSKI**  
Section Secretary

Dated this *13<sup>th</sup>* day of *October*, 2009.

## INDEPENDENT AUDIT REPORT

### TO THE MEMBERS OF THE CSIRO STAFF ASSOCIATION

#### Scope

##### **The financial report and Committee of Management responsibility**

The financial report of CSIRO Staff Association comprises the Certificate of Committee of Management, Income Statement, Balance Sheet, Statement of Recognised Income and Expense, Cash Flow Statement, Statement of Receipts and Payments for Recovery of Wages Activity and accompanying notes to the financial statements for the year ended 30 June 2009.

The Committee of Management are responsible for the preparation and true and fair presentation of the financial report in accordance with Australian Accounting Standards, the Reporting Guidelines of the Industrial Registrar and other mandatory financial reporting requirements in Australia. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

#### **Audit Approach**

We conducted an independent audit in order to express an opinion to the members of the CSIRO Staff Association. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with Australian Accounting Standards, the Reporting Guidelines of the Industrial Registrar and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Union's financial position, and of their performance as represented by the results of their operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report; and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the members of the Committee of Management.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

## INDEPENDENT AUDIT REPORT

### TO THE MEMBERS OF THE CSIRO STAFF ASSOCIATION


#### Independence

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

#### Audit Opinion

In our opinion, under section 257(5) of the RAO Schedule, the general purpose financial report is presented fairly in accordance with any of the following that apply in relation to the reporting unit:

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



**UHY Haines Norton**  
**Chartered Accountants**



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

Dated this 28<sup>th</sup> day of October, 2009.



**CSIRO STAFF ASSOCIATION**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2009**

	Note	2009 \$	2008 \$
Revenue	5	1,240,298	1,270,134
Expenses	6	(1,116,995)	(1,427,663)
Impairment of Investments	1(d), 6, 10(a)	<u>(78,031)</u>	<u>-</u>
PROFIT/(LOSS) BEFORE INCOME TAX		45,272	(157,529)
INCOME TAX EXPENSE	1(a)	<u>-</u>	<u>-</u>
PROFIT/(LOSS) AFTER INCOME TAX		<u>45,272</u>	<u>(157,529)</u>

The accompanying notes form part of this financial report.

**CSIRO STAFF ASSOCIATION**

**BALANCE SHEET  
AS AT 30 JUNE 2009**

	Note	2009 \$	2008 \$
<b>EQUITY</b>			
Accumulated Funds		1,218,960	1,173,688
Reserves		<u>-</u>	<u>52,472</u>
<b>TOTAL EQUITY</b>		<u><u>1,218,960</u></u>	<u><u>1,226,160</u></u>
Represented by:			
<b>CURRENT ASSETS</b>			
Cash & Cash Equivalents	8	740,761	652,840
Receivables	9	7,187	32,682
Financial Assets	10	668,030	818,536
Other	11	<u>2,301</u>	<u>3,022</u>
<b>TOTAL CURRENT ASSETS</b>		<u><u>1,418,279</u></u>	<u><u>1,507,080</u></u>
<b>NON-CURRENT ASSETS</b>			
Plant & Equipment	12	<u>5,732</u>	<u>6,080</u>
<b>TOTAL ASSETS</b>		<u><u>1,424,011</u></u>	<u><u>1,513,160</u></u>
<b>CURRENT LIABILITIES</b>			
Payables	13	136,603	170,451
Provisions	14	<u>68,448</u>	<u>116,549</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u><u>205,051</u></u>	<u><u>287,000</u></u>
<b>TOTAL LIABILITIES</b>		<u><u>205,051</u></u>	<u><u>287,000</u></u>
<b>NET ASSETS</b>		<u><u>1,218,960</u></u>	<u><u>1,226,160</u></u>

The accompanying notes form part of this financial report.

## CSIRO STAFF ASSOCIATION

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2009

	Accumulated Funds	Available-for-Sale Financial Instruments Reserve	Total
	\$	\$	\$
Balance at 1 July 2008	1,331,217	240,631	1,571,848
Profit/(Loss) for the year	(157,529)	-	(157,529)
Available-for-sale financial assets valuation gains/(losses) taken to equity	<u>-</u>	<u>(188,159)</u>	<u>(188,159)</u>
Balance at 30 June 2008	1,173,688	52,472	1,226,160
Profit/(Loss) for the year	45,272	-	45,272
Impairment of investments transferred to Income Statement	<u>-</u>	<u>(52,472)</u>	<u>(52,472)</u>
Balance at 30 June 2009	<u>1,218,960</u>	<u>-</u>	<u>1,218,960</u>

The accompanying notes form part of this financial report.

# CSIRO STAFF ASSOCIATION

## STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2009

	Note	2009 \$	2008 \$
<b>INCOME</b>			
Membership Subscriptions		1,163,875	1,143,079
Interest Received		47,662	55,993
Sundry Income		937	-
Investment Income & Realised Gains		27,824	52,981
Profit on Disposal of Investments		-	18,081
		<u>1,240,298</u>	<u>1,270,134</u>
<b>EXPENDITURE</b>			
<b>Salaries and Related Expenditure</b>			
Elected Officials		105,444	84,342
Industrial & Administrative Staff		499,086	571,069
<i>Total Salaries</i>		<u>604,530</u>	<u>655,411</u>
Payroll Tax		33,741	34,922
Workers Compensation Insurance		15,029	16,132
Superannuation		84,041	86,635
Staff Amenities & Training		5,710	4,019
Career Transition Expense		-	5,500
Provision for Annual Leave		(39,901)	21,265
Provision for Long Service Leave		15,251	12,147
Recruitment		-	13,986
<b>Total Salaries &amp; Related Expenditure</b>		<u>718,401</u>	<u>850,017</u>
<b>Administrative &amp; Equipment Overheads</b>			
Accounting & Audit Fees		9,000	8,200
Amortisation		-	3,689
Bank Charges		1,489	1,106
Depreciation		2,647	3,354
Electricity		3,600	3,300
Furniture & Computer Equipment (less than \$1,000)		432	-
Impairment of Investments		78,031	-
Investment Management Fees		8,793	11,780
Investment Realised Losses		38,153	-
Interest Paid		-	161
Loss on Sale of Equipment		816	195
National Office Charge		81,471	80,313
Postage & Freight		6,705	10,042
Printing & Stationary		15,012	19,755
Rent & Outgoings		96,751	88,853
Sundry Expenses		9,186	15,324
Telephone		13,226	20,814
Website Service Agreement		-	1,164
<b>Total Administrative &amp; Equipment Overheads</b>		<u>365,312</u>	<u>268,050</u>

The accompanying notes form part of this financial report.

## CSIRO STAFF ASSOCIATION

### STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2009

	Note	2009 \$	2008 \$
<b>EXPENDITURE</b> <i>continued</i>			
<b>Industrial Expenditure</b>			
Affiliation Fees	1(h)	4,668	4,409
Carbon Offset		687	-
Cabcharge		10,043	11,735
Council & Executive Meeting Expenses		36,370	41,019
CSIRO Consultative Council		308	(666)
Enterprise Bargaining Agreement		4,845	24,480
FASTS Board Meetings		589	1,114
Industrial Support & Representation		57	1,796
Legal Costs		-	4,573
Library & Publications		5,107	4,885
National Campaigns, Events & Meetings		1,081	-
Occupational Health & Safety		1,337	5,258
Presidential Expenses		2,037	764
Promotions & Merchandising		2,040	7,338
CPSU Matters		321	1,446
Science Meets Parliament		3,157	2,254
Scholarship Awards		2,250	4,500
Site Visits		28,242	32,251
Sub-Section Activities		947	1,770
Training & Conferences		4,595	4,563
Travelling Expenses		2,632	(362)
YRAW Campaign	1(i)	-	156,469
<b>Total Industrial Expenditure</b>		<u>111,313</u>	<u>309,596</u>
<b>Total Expenditure</b>		<u>1,195,026</u>	<u>1,427,663</u>
<b>NET PROFIT/(LOSS)</b>		<u>45,272</u>	<u>(157,529)</u>

The accompanying notes form part of this financial report.

**CSIRO STAFF ASSOCIATION**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2009**

	Note	2009 \$	2008 \$
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>			
Membership Subscriptions		1,281,135	1,257,387
Interest Received		59,420	50,028
Other Income		937	-
Payments to Suppliers & Employees		(136,992)	(223,682)
Payments to CPSU National Office		(1,113,464)	(1,297,577)
Interest Paid		<u>-</u>	<u>(161)</u>
Net Cash Provided by/(Used in) Operating Activities	16 (b)	<u>91,036</u>	<u>(214,005)</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Payment for Office Furniture and Equipment		<u>(3,115)</u>	<u>(1,033)</u>
Net Cash Used in Investing Activities		<u>(3,115)</u>	<u>(1,033)</u>
Net Increase/(Decrease) in cash held		87,921	(215,038)
Cash & Cash Equivalents at Beginning of Year		<u>652,840</u>	<u>867,878</u>
Cash & Cash Equivalents at End of Year	16 (a)	<u>740,761</u>	<u>652,840</u>

The accompanying notes form part of this financial report.

# CSIRO STAFF ASSOCIATION

## STATEMENT OF RECEIPTS AND PAYMENTS FOR RECOVERY OF WAGES ACTIVITY - CASH BASIS FOR THE YEAR ENDED 30 JUNE 2009

	Note	2009 \$	2008 \$
Cash Assets in respect of recovered money at beginning of the year			
<b>Receipts</b>			
Membership Subscriptions		-	-
Interest Received		-	-
Total Receipts		<u>-</u>	<u>-</u>
<b>Payments</b>			
Deductions of amounts due in respect of membership		-	-
Deductions of donations or other contributions to accounts or funds		-	-
Deductions of fees or reimbursements of expenses		-	-
Payments to workers in respect of recovered money		-	-
Total Payments		<u>-</u>	<u>-</u>
Cash assets in respect of recovered money at the end of the year		<u>-</u>	<u>-</u>

The accompanying notes form part of this financial report.

# CSIRO STAFF ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, the Reporting Guidelines of the Industrial Registrar and other mandatory financial reporting requirements in Australia. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

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

#### **Basis of Preparation**

##### *Reporting Basis and Conventions*

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

#### **Accounting Policies**

##### **(a) Income Tax**

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

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

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

##### **Plant and Equipment**

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

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

##### **Depreciation**

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



# CSIRO STAFF ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

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

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

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

Leasehold Improvements	16.7%
Furniture & Equipment	20-40%

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

#### (c) Financial Assets

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

#### (d) Impairment of Assets

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

#### (e) Employee Benefits

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

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

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

# CSIRO STAFF ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

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

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

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

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

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

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

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

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

##### **Superannuation**

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

#### (f) Leases

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

#### (g) Revenue

Contributions from members are shown net of refunds and are accounted for on a cash basis.

Interest revenue is recognised on an accruals basis.

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

# CSIRO STAFF ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

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

#### (h) Comparative Figures

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

- (i) Affiliation fees of \$4,069 and \$600 were paid during the year to FASTS and The Union Shopper respectively.

#### (j) YRAW Campaign

The CSIRO Section made contributions to the CPSU - PSU Group for the Your Rights At Work (YRAW) campaign in the 2008 year amounting to \$156,469. The campaign contributions were made from the reserves of the Section and were in accordance with a decision of the CSIRO Section Council, following a vote of members in workplace meetings to support the campaign. Contributions were paid on a monthly basis and were calculated at a rate of \$1 per week per financial member of the Section minus the number of members who chose not to have their subscriptions used for this purpose (8 members).

The CPSU - PSU Group in return managed the Your Rights At Work campaign for the Section.

The YRAW campaign concluded in 2008 and therefore the CSIRO Staff Association made no further contributions after 30 June 2008.

#### (k) New Accounting Standards for Application in Future Periods

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

The expected impact of these Accounting Standards issued but not yet operative at 30 June 2009 are assessed as having no material impact on this financial report.

### NOTE 2: INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

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

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

# CSIRO STAFF ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

### NOTE 3: RELATED PARTY INFORMATION

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

Section President -	Michael Borgas (Re-elected 1 January 2009)
Section Deputy Presidents -	Steve McEvoy (Re-elected 1 January 2009) Christiane Ludwig (Re-elected 1 January 2009)
Section Secretary -	Sam Popovski (Elected 1 January 2009) Pauline Gallagher (Retired 31 December 2008)
Section Treasurer	Phil Hendry (Elected 1 January 2009) (Position Vacant to 31 December 2008)

#### Committee of Management-

ACT	- Janet Anstee (Elected 1 January 2009) - Eric Hines (Retired 31 December 2008)
NA	- Scott Wilkinson (Elected 1 January 2009) - Garry Rabbett (Retired 31 December 2008)
SA	- (Position Vacant since 1 January 2009) - Ilma Lo Iacono (Retired 31 December 2008)
VIC	- Carl Braybrook (Elected 1 January 2009) - Greg Short (Retired 31 December 2008)
NSW	- Suzy Jackson (Elected 1 January 2009) - Philip Hendry (Retired 31 December 2008)
QLD	- Ian McLeod (Re-elected 1 January 2009)
TAS	- Ann Thresher (Acting: Appointed 14 May 2009) - (Position Vacant from 1 January 2009 to 13 May 2009) - Neil White (Retired 31 December 2008)
WA	- Elizabeth Hulm (Elected 1 January 2009) - Suzy Rea (Retired 31 December 2008)

(b) Key Management Personnel

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

(c) Key Management Personnel Compensation

	Total	Short-term Employee Benefits	Post- Employment Benefits	Other Long-term Benefits	Termination Benefits	Share Based Payment
	\$	\$	\$	\$	\$	\$
<b>2009</b>						
Total Compensation	124,633	105,631	17,893	1,109	-	-
<b>2008</b>						
Total Compensation	110,599	83,807	22,755	4,037	-	-

# CSIRO STAFF ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

### NOTE 3: RELATED PARTY INFORMATION *continued*

- (d) Amounts were paid for and recovered from the National Office of the CPSU and other Branches and Sections on receipt of invoices during the year.
- (e) Transactions between the Council and the Section were conducted on normal commercial terms in respect of membership fees and reimbursements.

### NOTE 4: EMPLOYEE BENEFITS

Year Ended 30 June 2009:	Elected Officials \$	Administrative & Industrial Staff \$	Total \$
Employee benefits paid to employees during the year:			
Wages & Salaries	\$ 76,820	\$ 423,600	\$ 500,420
Annual Leave and Sick Leave	\$ 28,811	\$ 77,097	\$ 105,908
Long Service Leave (Refer Note 1(e))	\$ -	\$ -	\$ -
Superannuation	\$ 17,893	\$ 66,148	\$ 84,041
Employee benefits paid or payable to the CPSU National Office in respect to employees during the year (Refer Note 1(e)):			
Long Service Leave	\$ 1,109	\$ 22,342	\$ 23,451
Year Ended 30 June 2008:	Elected Officials \$	Administrative & Industrial Staff \$	Total \$
Employee benefits paid to employees during the year:			
Wages & Salaries	\$ 80,209	\$ 523,948	\$ 604,157
Annual Leave and Sick Leave	\$ 3,598	\$ 42,057	\$ 45,655
Long Service Leave (Refer Note 1(e))	\$ -	\$ -	\$ -
Superannuation	\$ 22,755	\$ 63,880	\$ 86,635
Employee benefits paid to the CPSU National Office in respect to employees during the year (Refer Note 1(e)):			
Long Service Leave	\$ 4,037	\$ 14,110	\$ 18,147

# CSIRO STAFF ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	\$	\$
<b>NOTE 5: REVENUE</b>		
Operating activities:-		
- Contributions Received	1,163,875	1,143,079
- Interest (other persons/corporations)	47,662	55,993
- Investment Income	27,824	52,981
- Profit on Disposal of Investments	-	18,081
- Other Revenue	937	-
	<u>1,240,298</u>	<u>1,270,134</u>
Total Revenue		

### NOTE 6: PROFIT FROM ORDINARY ACTIVITIES

Profit from ordinary activities has been determined after:-

(a) Expenses:

Amortisation of leasehold improvements	-	3,689
Depreciation of office furniture and equipment	2,647	3,354
Impairment of Investments	78,031	-
Loss on Disposal of Investments	38,153	-
Amounts set aside to Provisions:		
- Long Service Leave	(8,200)	(6,000)
- Annual Leave	(39,900)	(21,266)

### NOTE 7: AUDITING EXPENSES

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

Auditing the financial report	6,000	5,500
Other services	3,000	2,700
	<u>9,000</u>	<u>8,200</u>

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

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

# CSIRO STAFF ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	\$	\$
<b>NOTE 8: CASH &amp; CASH EQUIVALENTS</b>		
Cash on Hand	436	317
Cash Held at Call with Credit Unions:		
Cash with Members Australia Credit Union	54,259	29,140
Cash with Laboratories Credit Union	59,302	50,278
Cash with Credit Unions - Sub Sections	-	1,167
Cash on Deposit with Credit Unions:		
Deposits with Members Australia Credit Union	232,108	213,893
Deposits with Laboratories Credit Union	<u>394,656</u>	<u>358,045</u>
	<u>740,761</u>	<u>652,840</u>

### NOTE 9: RECEIVABLES

Sundry Debtors	2,465	16,202
Accrued Interest	<u>4,722</u>	<u>16,480</u>
	<u>7,187</u>	<u>32,682</u>

### NOTE 10: FINANCIAL ASSETS

Available for Sale Financial Assets:		
Shares in Members Australia Credit Union	10	10
Managed Funds Investment	<u>668,020</u>	<u>818,526</u>
	<u>668,030</u>	<u>818,536</u>

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

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

Current year impairment of investments	(130,503)	-
Impairment of investments transferred from		
Available-for-Sale Reserve	<u>52,472</u>	<u>-</u>
Net impairment of investments	<u>(78,031)</u>	<u>-</u>

# CSIRO STAFF ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009 \$	2008 \$
<b>NOTE 11: OTHER ASSETS</b>		
Prepayments	<u>2,301</u>	<u>3,022</u>
	<u>2,301</u>	<u>3,022</u>

### NOTE 12: PLANT & EQUIPMENT

Office Furniture & Equipment	59,110	64,095
Less: Accumulated Depreciation	<u>(53,378)</u>	<u>(58,015)</u>
	<u>5,732</u>	<u>6,080</u>

#### a. Movements in Carrying Amounts

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

	Leasehold Improvements	Office Furniture & Equipment	Total
<b>Year Ended 30 June 2009:</b>			
Balance at the beginning of year	\$ -	\$ 6,080	\$ 6,080
Additions	-	3,115	3,115
Disposals	-	(816)	(816)
Depreciation/Amortisation	<u>-</u>	<u>(2,647)</u>	<u>(2,647)</u>
Carrying amount at end of year	<u>\$ -</u>	<u>\$ 5,732</u>	<u>\$ 5,732</u>
<b>Year Ended 30 June 2008:</b>			
Balance at the beginning of year	\$ 3,689	\$ 8,596	\$ 12,285
Additions	-	1,033	1,033
Disposals	-	(195)	(195)
Depreciation/Amortisation	<u>(3,689)</u>	<u>(3,354)</u>	<u>(7,043)</u>
Carrying amount at end of year	<u>\$ -</u>	<u>\$ 6,080</u>	<u>\$ 6,080</u>



# CSIRO STAFF ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	\$	\$
<b>NOTE 13: ACCOUNTS PAYABLE</b>		
CPSU National Office	120,411	158,787
Sundry Creditors	<u>16,192</u>	<u>11,664</u>
	<u>136,603</u>	<u>170,451</u>
 <b>NOTE 14: PROVISIONS</b>		
<b>Current</b>		
Employee Benefits - short term benefits at nominal value:		
Provision for Annual Leave	51,448	91,349
Provision for Long Service Leave Oncosts	<u>17,000</u>	<u>25,200</u>
	<u>68,448</u>	<u>116,549</u>
 (a) Provision for Annual Leave in respect to:		
Elected Officials	17,531	2,689
Administrative and Industrial Staff	<u>33,917</u>	<u>88,660</u>
	<u>51,448</u>	<u>91,349</u>
 (b) Provision for Long Service Leave Oncosts in respect to:		
Elected Officials	1,950	10,474
Administrative and Industrial Staff	<u>15,050</u>	<u>14,726</u>
	<u>17,000</u>	<u>25,200</u>

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

### NOTE 15: CAPITAL AND LEASING COMMITMENTS

#### Rental Commitments

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

Payable:

- not later than one year	74,028	70,236
- later than one year but not later than five years	272,400	296,112
- later than five years	<u>232,698</u>	<u>326,982</u>
	<u>579,126</u>	<u>693,330</u>

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

# CSIRO STAFF ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	\$	\$

### NOTE 16: CASH FLOW INFORMATION

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

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

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

Cash on Hand	436	317
Cash Held at Call with Credit Unions	113,561	80,585
Cash on Deposits with Credit Unions	<u>626,764</u>	<u>571,938</u>
	<u>740,761</u>	<u>652,840</u>

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

Operating profit/(loss) for year	45,272	(157,529)
Non-cash flows in operating profit		
Depreciation & Amortisation	2,647	7,043
Loss on Disposal of Plant and Equipment	816	195
Loss on Disposal of Investments	38,153	-
Impairment Loss	78,031	-
Changes in assets and liabilities		
(Increase)/Decrease in Receivables	25,495	(4,928)
(Increase)/Decrease in Other Assets	721	(1,358)
(Increase)/Decrease in Other Financial Assets	(18,049)	(58,076)
Increase/(Decrease) in Accounts Payable	(33,849)	(14,618)
Increase/(Decrease) in Employee Provisions	<u>(48,201)</u>	<u>15,266</u>
Net Cash Provided by/(Used in) Operating Activities	<u>91,036</u>	<u>(214,005)</u>

#### (c) Financing Facilities

The Section has no overdraft facilities.

## CSIRO STAFF ASSOCIATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

#### NOTE 17: FINANCIAL INSTRUMENTS

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

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

**(b) Interest rate risk**

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

Economic Entity	Total Carrying Value		Weighted Average Interest Rates		Non Interest Bearing		Floating Interest Rate		Fixed Interest Rate	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
	\$	\$	%	%	\$	\$	\$	\$	\$	\$
<b>Financial Assets</b>										
Cash and Bank Deposits	740,761	652,840	6.42	6.23	436	317	113,561	80,585	626,764	571,938
Managed Funds	668,030	818,536	4.82	4.34	516,596	699,128	151,434	119,408	-	-
Receivables	7,187	32,682	-	-	7,187	32,682	-	-	-	-
<b>Total Financial Assets</b>	<b>1,415,978</b>	<b>1,504,058</b>			<b>517,032</b>	<b>699,445</b>	<b>113,561</b>	<b>80,585</b>	<b>626,764</b>	<b>571,938</b>
<b>Financial Liabilities</b>										
Accounts Payable	136,603	170,451	-	-	136,603	170,451	-	-	-	-
<b>Total Financial Liabilities</b>	<b>136,603</b>	<b>170,451</b>			<b>136,603</b>	<b>170,451</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**(c) Market Risk**

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

**CSIRO STAFF ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2009**

**NOTE 17: FINANCIAL INSTRUMENTS** *continued*

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

2009	Total Carrying Value	Interest Rate Risk				Price Risk				Return Risk			
		-1% Profit	-1% Equity	+1% Profit	+1% Equity	-20% Profit	-20% Equity	+20% Profit	+20% Equity	-2% Profit	-2% Equity	+2% Profit	+2% Equity
<b>Financial Assets</b>													
Cash and Bank Deposits	740,761	(7,316)	(7,316)	7,316	7,316	-	-	-	-	-	-	-	-
Managed Funds	668,030	(1,514)	(1,514)	1,514	1,514	(103,317)	(103,317)	-	103,317	(11,968)	(11,968)	11,968	11,968
Receivables	7,187	-	-	-	-	-	-	-	-	-	-	-	-
<b>Financial Liabilities</b>													
Accounts Payable	136,603	-	-	-	-	-	-	-	-	-	-	-	-

2008	Total Carrying Value	Interest Rate Risk				Price Risk				Return Risk			
		-1% Profit	-1% Equity	+1% Profit	+1% Equity	-20% Profit	-20% Equity	+20% Profit	+20% Equity	-2% Profit	-2% Equity	+2% Profit	+2% Equity
<b>Financial Assets</b>													
Cash and Bank Deposits	652,840	(7,607)	(7,607)	7,607	7,607	-	-	-	-	-	-	-	-
Managed Funds	818,536	(1,194)	(1,194)	1,194	1,194	(139,826)	(139,826)	-	139,826	(13,355)	(13,355)	13,355	13,355
Receivables	32,682	-	-	-	-	-	-	-	-	-	-	-	-
<b>Financial Liabilities</b>													
Accounts Payable	170,451	-	-	-	-	-	-	-	-	-	-	-	-

**CSIRO STAFF ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2009**

**NOTE 17: FINANCIAL INSTRUMENTS** *continued*

**(d) Credit Risk**

The Section has no significant exposure to credit risk.

**(e) Net Fair values**

The net fair values of the Section's financial assets and financial liabilities are not expected to be significantly different from each class of asset and liability as disclosed above and recognised in the balance sheet as at 30 June 2009.

**(f) Liquidity Risk**

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

