



FAIR WORK
AUSTRALIA

3 December 2010

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

By email: sam.popovski@cpsu.org.au
B fax: (03) 8620 6347

**Fair Work (Registered Organisations) Act 2009 (RO Act)
Financial Report for year ended 30 June 2010 – FR2010/2540**

Dear Mr Popovski,

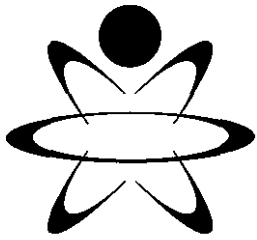
I acknowledge receipt of the financial report for the CPSU, the Community and Public Sector Union-PSU Group, CSIRO Section for the year ended 30 June 2010. The document was lodged with Fair Work Australia on 1 December 2010.

The financial report has been filed. No further action is required for the financial report for year ended 30 June 2010.

If you have any queries please contact me on (03) 8661 7988 or by email at rebekah.french@fwa.gov.au.

Yours sincerely,

Rebekah French
Tribunal Services and 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), 10TH 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 2010 were made available to all members of the Section on 3 November 2010.

On that day, the Full Report was emailed to all members and made available on the CSIRO Section/CPSU website.

The first meeting, a meeting of the Committee of Management, held via teleconference on 30 September 2010, accepted the audited General Purpose Financial Report and Operating Report for 2009-10.

The second meeting, a general meeting of members, held in Melbourne (CSIRO Clayton PSE (formerly minerals) GK Williams Room) on 24th November 2010, accepted the audited General Purpose Financial Report and Operating Report for 2009-10.

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 3 November 2010 and accepted by a general meeting of members on 24 November 2010.

Sam Popovski
Section Secretary

1 December 2010



**CSIRO Staff Association
Operating Report 2009-10**

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

As we reflect on another passing year we cannot help but note the growing role for science in our society. This will be reflected in the new strategic plan for CSIRO along with our new quadrennial funding, an ALP election promise this year.

The art of organising science is efficiently bringing a variety of people together in a good and stimulating environment to share ideas and information and create new things.

More of this happens electronically these days, but time taken for conversations in a corridor, across the tea table or over lunch, by the library shelves with the latest journals or in Social Club or Staff Association activities should be supported by as all.

We hope that our new strategic directions allow more focus on site by site innovation, particularly for our regional sites. For our own environmental footprint we need less travel and organisational complexity and more time for thinking and team interactions at our work sites and laboratories.

A common executive lament these days is that thinking and reading time is best achieved on long-haul flights. But this is a failure of planning and management.

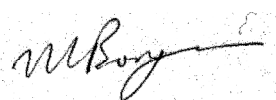
The relevance of science requires us to make our science institutions creative inspiring places with well resourced libraries, workshops, support staff and with as much science-thinking time as possible.

With a coming new strategic plan, a new enterprise agreement for workers and many political imperatives for the best new thinking around our climate, water, energy, food, clean production and innovation, we all have a chance now to influence the state of CSIRO.

The Staff Association aims to help in this task, for which I largely have to thank Secretary Sam Popovski and his team of Industrial Officers, administrators, finance and communications staff (not as many people as you think) as well as support from other parts of the CPSU.

The operating report details our efforts over the last year, showing ongoing strength of the collective, but a range of challenges and disappointments. The work is ongoing and never easy, and requires all of our efforts.

So I also have to thank the honorary officers, executive and council, the delegates and members. The participation in surveys, petitions, hook-ups and meetings and feedback, both critical and supportive, is vital for us to progress as a learning and active association.



About the Association in 2009-10

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

The Association represents the professional and industrial interests of members employed in the Commonwealth Scientific and Industrial Research Organisation (CSIRO), the Australian Astronomical Observatory (AAO), 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 2010 were 0.55% of gross salary for full members; \$30 (1 year) or \$75 (3 years) for retired members and \$30 for student members (until their period as a student is completed).

Subscription income for 2009-10 was \$1,220,305, an increase of \$56,430 compared to the previous year. The Association also receives income from its cash deposits and equity investments. In the 2009-10 financial year, the combination of interest and investment income contributed \$169,510, or 12% of total income. The closure of the Association's equity investment with Deutsche Bank increased realised gains from investments by \$80,581 compared to the previous year.

The largest component of the Association's expenditure was on salaries and related costs totalling \$719,471 (66% of total expenditure). Expenditures that related to the equity investment reduced by \$116,059 compared to the previous year. This was the major contributor to changes in administrative and equipment overheads which reduced by a total of \$102,440 compared to the previous year.

The Association's overall financial performance resulted in a net surplus of \$295,552 or approximately 21% of total income. \$205,321 (or 69%) of the net surplus was a consequence of increased income and decreased expenditures over the year related to the equity investment.

Membership

Membership of the Association at 30 June 2010 was 3155 members of which 2926 were financial. This was a decrease of 13 financial members (or 0.4%) compared to the previous year. Recruitment for the year was 256, compared to 175 the previous year (increase of 46%). However, cessations were 236 compared to 222 the previous year (increase of 6%) and the number of unfinancial members was 229 compared to 196 the previous year (increase of 17%). There were only 12 cancellations this year compared to 20 in the previous year.

Membership in the Anglo-Australia Observatory (AAO) this year grew by 2 to 25. The Association does not recruit new members in the National Measurement Institute but continues to provide service to 39 members retained from the former National Measurement Laboratory.

Membership Year to 30th June 2010							
	Recruited	Cessations			Membership		
		Cancelled*	RRR#	Total	Unfinancial	Financial	Total
ACT	38	5	43	48	27	493	520
NA	5	1	6	7	4	69	73
NSW	35	2	23	25	68	508	576
QLD	31	0	19	19	25	356	381
SA	10	0	14	14	19	197	216
TAS	8	0	12	12	8	173	181
VIC	107	4	90	94	55	914	969
WA	22	0	17	17	23	216	239
TOTAL	256	12	224	236	229	2926	3155

* Left the Association but not their employment

Left their employment (resigned, retired, redundant)

The imperative to retain and grow our membership density in CSIRO and the AAO remains an underpinning priority if the Association is to succeed in furthering the interests of our members. The Association has continuing challenges to build membership density and activism in growing areas of CSIRO which have not traditionally had a strong union presence. The Association also needs to strive to increase the diversity of our membership base, particularly in relation to age, gender and job type. 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 very low membership cancellation rate is a strength that supports the Association's ability to advocate for members with a 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 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 full rules of the CPSU are available at <http://www.e-airc.gov.au/090v/rules>

Association Structure

The Committee of Management is the Association (or CSIRO Section) Council. The Council is an elected body with an Executive and Councillors representing the Sub-Sections. Council has responsibility for governance of the Association within the CPSU. It also develops Association policy at a national level, contributes to CPSU policy, determines national campaigns and activities and represents issues affecting the membership across all parts of the Association. The Executive, comprising the Section Secretary, oversee the operations of the Association.

The elected Council Officers for 2009-10 were:

Executive

Section President	Michael Borgas
Section Deputy President	Christiane Ludwig
Section Deputy President	Steve McEvoy
Section Secretary	Sam Popovski
Section Treasurer	Phil Hendry

Councillors

ACT Councillor	Janet Anstee
NA Councillor	Scott Wilkinson

NSW Councillor	Suzy Jackson
QLD Councillor	Ian McLeod
SA Councillor	Vacant (until 30 September 2009) Sonia Grocke (from 1 October 2009)
TAS Councillor	Vacant (until 30 September 2009) Ann Thresher (from 1 October 2009)
VIC Councillor	Carl Braybrook
WA Councillor	Elizabeth Hulm

The Association has three representatives on the CPSU Governing Council: Section President Michael Borgas; Section Secretary Sam Popovski; and an elected Governing Councillor position. Until 30 September 2009 this position was vacant, but was filled by Warren Hicks from 1 October 2009.

Councillors represent members in their respective Sub-Sections through elected Sub-Section Delegates Committees (SDCs). The committees are comprised of SDC Executives (SDC President, SDC Secretary and 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 and positions filled over the financial year. During the year, there were over one hundred workplace delegates, deputy delegates and support contacts in the Association.

Association Council Priorities

In 2009-10, the Association Council met formally on six occasions: two in face, one by video conference and three by telephone. All meetings have Minutes which record the motions and actions of the Council.

In 2009-10, the Association Council implemented a number of priority activities and campaigns, based on input and participation from members and Sub-Section Delegates Committees:

- CSIRO work environment survey
- Tackling bureaucracy
- IM&T and HS&E campaigns
- Psychological health and wellbeing
- Individual support for members
- Member communications
- Advocacy for science
- Child care campaign
- AAO bargaining campaign
- Workplace delegates training



At Council Meeting 58 in Townsville in August 2010.

CSIRO work environment survey

During the year academics from the Universities of New South Wales, Melbourne and South Australia engaged in a research project to examine the work environment at CSIRO. As part of this project, a confidential and anonymous survey was made available to all staff in CSIRO. The Association participated in this process by distribution of the survey to staff across CSIRO workplaces nationally. The survey built on the outcomes of a similar project that was conducted in 1998-99.

Overall 4280 surveys were distributed through workplace delegates and contacts. There were 2116 returned surveys, a response rate of 49%, which was particularly good for a survey of this kind. The survey population was representative of the CSIRO staff population for gender and age, with 63% of the total respondents being Association members. The results will be made available to members next year and will be an important contributor to our campaign activities, including enterprise bargaining.

Tackling bureaucracy

The Association has been campaigning for a number of years on the increasing burden of bureaucratic processes and structures in CSIRO. The campaigns have included effort logging, SAP, e-procurement and the matrix organisational structure. Following a campaign by members, CSIRO CEO Megan Clark made a commitment to review effort logging. Despite the success of this campaign, the requirement on staff to effort log continued this year with little improvement. SAP and related processes such as e-procurement, have also caused many problems for staff. In relation to e-procurement, improvements were made during the year following input and lobbying by Association members.

The CSIRO work environment survey will provide objective quantitative and qualitative data to support bureaucracy-related campaigns next year. The Association Council is committed to supporting staff to be able to do their jobs without the imposition of overly bureaucratic processes and organisational structures.

IM&T and HS&E campaigns

In the areas of IM&T and HS&E, the CSIRO Executive enacted decisions to implement substantial job cuts and declassified roles through spill and fill restructuring. The Association allocated comprehensive resources to individually support members and to collectively campaign to demand that the CSIRO CEO and Executive reverse these decisions.

The IM&T campaign included a collective activity with over 2000 staff signing a petition to request an urgent meeting with the CSIRO CEO to demand a reversal of the decision to cut over 40 jobs in IM&T, including library staff. Despite the success of the petition, the CSIRO CEO did not reverse the decision. The Association stated that this will lead to a huge loss of skills and capability and reduced IM&T services for all staff in CSIRO.

Similar to the IM&T restructure, CSIRO Executive implemented a spill and fill process in HS&E with declassified roles. The Association conducted a formal dispute under the Enterprise Agreement stating that that this decision would jeopardise health and safety at CSIRO. Again the CSIRO Executive did not reconsider its decision and many committed and skilled staff will not remain in CSIRO as a result.

The Association Council will continue to hold the CSIRO CEO and Executive accountable for these decisions and work diligently to support individual members through processes. Based on input from members, the abolition of the spill and fill process will be a major part of the enterprise bargaining campaign in 2010/11.

Psychological health and wellbeing

During the year the Association has strongly advocated for the implementation of the recommendations of the Psychological Health and Wellbeing working group. The working group, chaired by CLW Chief Neil McKenzie, made a number of progressive recommendations to improve the work environment at CSIRO in relation to psychological health and wellbeing.

Sustained activism from Association members will be required to ensure the recommendations are implemented in full. A key recommendation relating to the CSIRO allocations process will be progressed through a working group which includes the Staff Association WA Councillor Elizabeth Hulm. Consultative Council will be an important forum for accountability and review of progress of psychological health and wellbeing indicators and outcomes.

Individual support for members

In 2009, the 'Know Your Rights' series of bulletins were distributed to members. The bulletins enabled members to better understand and enforce their rights at work. There were a total of twenty bulletins which also collectively provide a valuable information resource for workplace delegates. The Staff Association is diligently ensuring that the rights and conditions of 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.

Consistent with our cause, the Association allocated significant staffing resources to protect and progress the interests of our members. Individual support for members continues to constitute an increasing component of the work of our organising team. This is particularly the case in supporting members through redundancy and redeployment processes and in protecting staff from bullying, harassment and improper performance management. There is an increasing prevalence of poor management and human resources practices at CSIRO. The role of the Association in ensuring that members are treated with dignity, respect and fairness is as important now as it has ever been.



Tom Dixon with member Catherine McKie

Member communications

The Association has invested into systems and people this year to improve our communications with members. We have translated all of our membership data into a new membership system. The new system gives us the capacity to enhance our campaign and industrial support activities and has added functionalities such as direct emails to members.

The Association has employed a part-time Communication Officer to improve our website and electronic communications. An enterprise bargaining campaign website is being developed with tools for online participation such as blogs and forums. Information services to members have improved with the Wavelength newsletter now distributed monthly and the distribution of regular campaign and CPSU e-newsletters.

Advocacy for science

This year the Association campaigned and engaged with many decision makers and peak bodies to advocate for CSIRO and the science that our members do. This included the Minister of Innovation, Industry, Science and Research, Senator the Hon. Kim Carr and other parliamentarians; members of the CSIRO Board; the Chief Scientist, Professor Penny Sackett; and the Federation of Scientific and Technological Societies, including through Science Meets Parliament in March.



Michael Borgas with FASTS President Cathy Foley and members at Science Meets Parliament

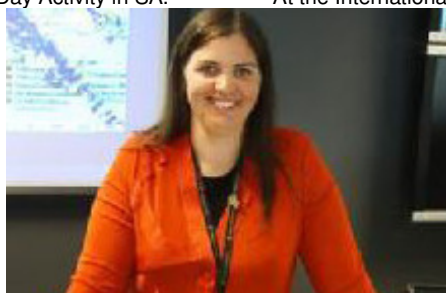
The Association contributed to scientific and policy debates in many media forums, particularly through newspapers and radio. Advocacy for a Charter and improved funding for CSIRO; for science and jobs in regional areas; and for women in science; were major issues that were debated and facilitated through the Association this year. This advocacy was especially effective due to the effective participation of CSIRO staff in networks such as the Women In Science activities in the ACT, SA, VIC and WA and the Association's regional science network of delegates and members.



At the International Women's Day Activity in SA.



At the International Women's Day Activity in ACT.



Monica Long spoke at the IWD Activity in VIC.

Child care campaign

Facilitating better and fairer access to on site child care was a priority for the Association Council this year. The Association campaigned strongly to oppose the imposition of new penalties and running costs in proposed contractual arrangements between CSIRO and existing child care centres at Black Mountain, Clayton and North Ryde. An Association child care committee was established with State-based representation, including Staff Association ACT Councillor Janet

Anstee. The combined efforts of this committee and active Association members resulted in CSIRO not proceeding with the new penalties and extending the period for phasing in running costs.

The child care committee oversaw the enforcement of the child care clause in the CSIRO Enterprise Agreement. By negotiation with CSIRO Corporate HR, surveys to assess demand for child care were conducted across a number of CSIRO workplaces in ACT, NSW, QLD, VIC and WA. The committee has raised concerns about the survey design and has also identified the need to campaign for greater emphasis on projected staffing and demographic data in planning for new facilities and expanding existing centres.

AAO enterprise bargaining campaign

Enterprise bargaining at the AAO was successfully conducted with a new one year agreement negotiated and finalised in June. The bargaining negotiations were technically complex as a result of the transition of the AAO into the Australian Public Service (APS). The agreement included a 3% pay rise on 1 July 2010 and the retention of important conditions of employment. The Association grew its membership during the campaign and provided advice and support for staff in the transition into the Department of Innovation, Industry, Science and Research.

Workplace delegates training

Delegates are the fundamental component of the activism and strength of the Association in the workplace. In addition to mentoring and supporting delegates through our organising team, the Association conducted workplace delegates training to improve the skills and capabilities of our delegates. This year the training enabled delegates to gain knowledge about the application of the *Fair Work Act 2009* and the Australian Government Employment Bargaining Framework. The training also allowed delegates to discuss how the Association's 'Know Your Rights' bulletins could be used to increase members knowledge of their rights and employment conditions. Recruitment strategies to grow the diversity and strength of the Association's membership were also discussed as part of the training this year.

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 represent the interests of our members at CSIRO. The two meetings of the CSIRO Consultative Council this year were both in Canberra on 4 November 2009 and 20 April 2010. The 4 November meeting focussed on psychological health and wellbeing and supporting capability in areas such as workshops and IM&T. The 20 April meeting discussed the CSIRO simplification project and Strategic Plan 2011-2015.

John Little Scholarship

Every year the Association can award 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 to support the ongoing professionalism of technicians. The funds can be used for study expenses and technicians who are studying towards their first degree qualification are eligible. This year the scholarships were not made available. As a result, next year the Association will make available up to eight scholarships (in two rounds of four).

Our Team

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

At 30 June 2010, the team members were:

Organising Staff	Location	Responsibility
Jeff Carig	Sydney	NSW (excluding Southern NSW)
Tom Dixon	Brisbane	QLD and NT
Rod Drinkwater	Canberra	ACT and Southern NSW
Paul Girdler	Melbourne	Lead/National Organiser
Louise Jarman	Melbourne	VIC and TAS
Ian Treloar	Adelaide	SA and WA
Support Staff		
Margaret Puls	Brisbane	Communication Officer
Carrie Wilson	Melbourne	Administrative and Organising Support
Angela Yuan	Melbourne	Membership and Finance Officer

Financial Changes of Note in 09/10

The Association returned an overall operating surplus for the year of \$295,552. This result compared to the budgeted surplus for the year of \$85,511. The difference of \$210,041 was largely due to changes related to the equity investment with Deutsche Bank (outlined above in 'About the Association in 2009-10'). The Association Council endorsed closure of the equity investment with Deutsche Bank and re-investment of the funds into an ethical investment portfolio. The re-investment was contingent on obtaining independent financial advice on the establishment of a portfolio with Australian Ethical Investment. Despite several investigations by the Treasurer and Secretary during the year, no financial advisor has been prepared to offer this independent advice as yet. As a transitional measure, the Association Council endorsed the investment of the funds (previously with Deutsche Bank) into term deposits with Members Equity Bank until February 2011.

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
8 October 2010

CSIRO STAFF ASSOCIATION

COMMITTEE OF MANAGEMENT CERTIFICATE

On 30 September 2010 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 2010:

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 General Manager of Fair Work Australia and other requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009;
- (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 Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting units have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - (v) the information sought in any request of a member of the reporting unit or the General Manager of Fair Work Australia duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or the General Manager of Fair Work Australia ; and
 - (vi) there have been no orders for inspection of financial records made by Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009 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 General Manager of Fair Work Australia; and
 - (ii) the committee of management caused the auditor to include in the scope of the audit required under section 257(1) of the Fair Work (Registered Organisations) Act 2009 all recovery of wages activity by the reporting unit in which revenues had been derived for the financial year in respect of such activity; and


CSIRO STAFF ASSOCIATION

COMMITTEE OF MANAGEMENT CERTIFICATE

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

For the Committee of Management:


.....
MICHAEL BORGAS
Section President


.....
SAM POPOVSKI
Section Secretary

Dated this 21 day of OCTOBER, 2010.

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, Statement of Comprehensive Income, Statement of Financial Performance, Statement of Recognised Income and Expense, Statement of Cash Flows, Statement of Receipts and Payments for Recovery of Wages Activity and accompanying notes to the financial statements for the year ended 30 June 2010.

The Committee of Management are responsible for the preparation and true and fair presentation of the financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations), the Reporting Guidelines of the General Manager of the Fair Work Australia and any other requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009. 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 (including Australian Accounting Interpretations), the Reporting Guidelines of the General Manager of the Fair Work Australia and any other requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009, 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 Fair Work (Registered Organisations) Act 2009, the general purpose financial report of CSIRO Staff Association for the year ended 30 June 2010 is presented fairly in accordance with any of the following that apply in relation to the reporting unit:

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

UHY Haines Norton

UHY Haines Norton
Chartered Accountants

R.H. Hutton

R.H. Hutton
Registered Company Auditor

Dated this 22nd day of October, 2010.

CSIRO STAFF ASSOCIATION

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2010

	Note	2010 \$	2009 \$
Revenue	5	1,390,134	1,240,298
Expenses	6	(1,092,913)	(1,116,995)
Impairment of Investments	1(d), 6, 10(a)	<u>(1,669)</u>	<u>(78,031)</u>
Profit before income tax		295,552	45,272
Income tax expense	1(a)	<u>-</u>	<u>-</u>
Profit for the year		295,552	45,272
 Other comprehensive income:			
Impairment of investments transferred from reserve		\$ -	\$ (52,472)
Other comprehensive income for the year, net of tax		<u>\$ -</u>	<u>\$ (52,472)</u>
Total comprehensive income for the year		<u>\$ 295,552</u>	<u>\$ (7,200)</u>
Profit/(Loss) attributable to members of the entity		<u>295,552</u>	<u>45,272</u>
Total comprehensive income attributable to members of the entity		<u>\$ 295,552</u>	<u>\$ (7,200)</u>

The accompanying notes form part of this financial report.

CSIRO STAFF ASSOCIATION
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2010

	Note	2010 \$	2009 \$
EQUITY			
Accumulated Funds		<u>1,514,512</u>	<u>1,218,960</u>
TOTAL EQUITY		<u><u>1,514,512</u></u>	<u><u>1,218,960</u></u>
Represented by:			
CURRENT ASSETS			
Cash & Cash Equivalents	8	1,723,540	740,761
Receivables	9	17,476	7,187
Financial Assets	10	17,698	668,030
Other	11	<u>3,883</u>	<u>2,301</u>
TOTAL CURRENT ASSETS		<u><u>1,762,597</u></u>	<u><u>1,418,279</u></u>
NON-CURRENT ASSETS			
Plant & Equipment	12	<u>6,552</u>	<u>5,732</u>
TOTAL ASSETS		<u><u>1,769,149</u></u>	<u><u>1,424,011</u></u>
CURRENT LIABILITIES			
Payables	13	169,514	136,603
Provisions	14	<u>85,123</u>	<u>68,448</u>
TOTAL CURRENT LIABILITIES		<u><u>254,637</u></u>	<u><u>205,051</u></u>
TOTAL LIABILITIES		<u><u>254,637</u></u>	<u><u>205,051</u></u>
NET ASSETS		<u><u>1,514,512</u></u>	<u><u>1,218,960</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 2010

	Accumulated Funds	Available-for-Sale Financial Instruments Reserve	Total
	\$	\$	\$
Balance at 1 July 2008	1,173,688	52,472	1,226,160
Profit for the year	45,272	-	45,272
Total other comprehensive income for the year	<u>-</u>	<u>(52,472)</u>	<u>(52,472)</u>
Balance at 30 June 2009	1,218,960	-	1,218,960
Profit for the year	295,552	-	295,552
Total other comprehensive income for the year	<u>-</u>	<u>-</u>	<u>-</u>
Balance at 30 June 2010	<u>1,514,512</u>	<u>-</u>	<u>1,514,512</u>

The accompanying notes form part of this financial report.

CSIRO STAFF ASSOCIATION

STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2010

	Note	2010 \$	2009 \$
INCOME			
Membership Subscriptions		1,220,305	1,163,875
Interest Received		52,424	47,662
Sundry Income		319	937
Investment Income		18,424	9,743
Investment Realised Gains		<u>98,662</u>	<u>18,081</u>
		<u>1,390,134</u>	<u>1,240,298</u>
EXPENDITURE			
Salaries and Related Expenditure			
Elected Officials		91,337	105,444
Industrial & Administrative Staff		<u>450,384</u>	<u>499,086</u>
<i>Total Salaries</i>		<i>541,721</i>	<i>604,530</i>
Payroll Tax		30,743	33,741
Workers Compensation Insurance		13,462	15,029
Superannuation		86,972	84,041
Staff Amenities & Training		14,931	5,710
Annual Leave Provided		13,675	(39,901)
Long Service Leave Provided & Paid		17,922	15,251
Recruitment		<u>45</u>	<u>-</u>
Total Salaries & Related Expenditure		719,471	718,401
Administrative & Equipment Overheads			
Accounting & Audit Fees		9,300	9,000
Bank Charges		1,021	1,489
Depreciation		3,106	2,647
Electricity		3,600	3,600
Furniture & Computer Equipment (less than \$1,000)		326	432
Impairment of Investments		1,669	78,031
Investment Management Fees		7,249	8,793
Investment Realised Losses		-	38,153
Loss on Sale of Equipment		-	816
National Office Charge		85,421	81,471
Postage & Freight		7,885	6,705
Printing & Stationary		11,558	15,012
Rent & Outgoings		106,224	96,751
Sundry Expenses		8,041	9,186
Telephone		16,375	13,226
Website Service Agreement		<u>1,097</u>	<u>-</u>
Total Administrative & Equipment Overheads		262,872	365,312

The accompanying notes form part of this financial report.

CSIRO STAFF ASSOCIATION

STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2010

	Note	2010 \$	2009 \$
EXPENDITURE <i>continued</i>			
Industrial Expenditure			
Affiliation Fees	1(h)	4,802	4,668
Carbon Offset		1,813	687
Cabcharge		1,053	10,043
Council & Executive Meeting Expenses		42,613	36,370
CSIRO Consultative Council		7	308
Enterprise Bargaining Agreement		-	4,845
FASTS Board Meetings		1,276	589
Family Bereavement Support		1,000	-
Industrial Support & Representation		4,199	57
Library & Publications		2,521	5,107
National Campaigns, Events & Meetings		3,774	1,081
Occupational Health & Safety		-	1,337
Presidential Expenses		55	2,037
Promotions & Merchandising		396	2,040
CPSU Matters		550	321
Research Policy Committee		1,111	-
Science Meets Parliament		3,189	3,157
Scholarship Awards		-	2,250
Site Visits		36,730	28,242
Sub-Section Activities		1,144	947
Training & Conferences		4,097	4,595
Travelling Expenses		1,909	2,632
Total Industrial Expenditure		<u>112,239</u>	<u>111,313</u>
Total Expenditure		<u>1,094,582</u>	<u>1,195,026</u>
NET PROFIT/(LOSS)		<u>295,552</u>	<u>45,272</u>

The accompanying notes form part of this financial report.

CSIRO STAFF ASSOCIATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2010

	Note	2010 \$	2009 \$
CASHFLOWS FROM OPERATING ACTIVITIES			
Membership Subscriptions		1,342,786	1,281,135
Interest Received		44,869	59,420
Other Income		319	937
Payments to Suppliers & Employees		(153,191)	(136,992)
Payments to CPSU National Office		<u>(1,005,854)</u>	<u>(1,113,464)</u>
Net Cash Provided by Operating Activities	16 (b)	<u>228,929</u>	<u>91,036</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for Office Furniture and Equipment		(3,926)	(3,115)
Redemption of Investments		<u>757,776</u>	<u>-</u>
Net Cash Provided by/(Used in) Investing Activities		<u>753,850</u>	<u>(3,115)</u>
Net Increase in cash held		982,779	87,921
Cash & Cash Equivalents at Beginning of Year		<u>740,761</u>	<u>652,840</u>
Cash & Cash Equivalents at End of Year	16 (a)	<u>1,723,540</u>	<u>740,761</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 2010**

	Note	2010 \$	2009 \$
Cash Assets in respect of recovered money at beginning of the year		-	-
Receipts			
Membership Subscriptions		-	-
Interest Received		-	-
Total Receipts		<u>-</u>	<u>-</u>
Payments			
Deductions of amounts due in respect of membership		-	-
Deductions of donations or other contributions to accounts or funds		-	-
Deductions of fees or reimbursements of expenses		-	-
Payments to workers in respect of recovered money		-	-
Total Payments		<u>-</u>	<u>-</u>
Cash assets in respect of recovered money at the end of the year		<u>-</u>	<u>-</u>

The accompanying notes form part of this financial report.

CSIRO STAFF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations), the Reporting Guidelines of the General Manager of Fair Work Australia and any other requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

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

Basis of Preparation

Reporting Basis and Conventions

The financial report 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 2010

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 2010

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 2010

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 \$4,130 and \$672 were paid during the year to FASTS and The Union Shopper respectively.

(j) Adoption of New and Revised Accounting Standards

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

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

(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 THE GENERAL MANAGER OF FAIR WORK AUSTRALIA

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of section 272 which reads as follows:

- (1) A member of a reporting unit, or the General Manager of Fair Work Australia, 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 2010

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)
Section Treasurer	Phil Hendry (Elected 1 January 2009)

Committee of Management-

ACT	- Janet Anstee (Elected 1 January 2009)
NA	- Scott Wilkinson (Elected 1 January 2009)
SA	- Sonia Grocke (Elected 30 September 2009)
	- (Position Vacant from 1 January 2009 to 29 September 2009)
VIC	- Carl Braybrook (Elected 1 January 2009)
NSW	- Suzy Jackson (Elected 1 January 2009)
QLD	- Ian McLeod (Re-elected 1 January 2009)
TAS	- Ann Thresher (Elected 30 September 2009)
WA	- Elizabeth Hulm (Elected 1 January 2009)

(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
	\$	\$	\$	\$	\$	\$
2010						
Total Compensation	107,858	91,145	12,244	4,469	-	-
2009						
Total Compensation	124,633	105,631	17,893	1,109	-	-

CSIRO STAFF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

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 2010:	Elected Officials \$	Administrative & Industrial Staff \$	Total \$
Employee benefits paid to employees during the year:			
Wages & Salaries	\$ 83,457	\$ 398,481	\$ 481,938
Annual Leave and Sick Leave	\$ 7,880	\$ 51,903	\$ 59,783
Long Service Leave (Refer Note 1(e))	\$ -	\$ 10,942	\$ 10,942
Superannuation	\$ 12,244	\$ 74,931	\$ 87,175

Employee benefits paid or payable to the CPSU National Office in respect to employees during the year (Refer Note 1(e)):

Long Service Leave	\$ 4,469	\$ (488)	\$ 3,981
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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 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
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CSIRO STAFF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010	2009
	\$	\$
NOTE 5: REVENUE		
Operating activities:-		
- Contributions Received	1,220,305	1,163,875
- Interest (other persons/corporations)	52,424	47,662
- Investment Income	18,424	9,743
- Investment Realised Gains	98,662	18,081
- Other Revenue	<u>319</u>	<u>937</u>
Total Revenue	<u>1,390,134</u>	<u>1,240,298</u>

NOTE 6: PROFIT FROM ORDINARY ACTIVITIES

Profit from ordinary activities has been determined after:-

(a) Expenses:

Depreciation of office furniture and equipment	3,106	2,647
Impairment of Investments	1,669	78,031
Loss on Disposal of Investments	-	38,153
Amounts set aside to Provisions:		
- Long Service Leave	3,000	(8,200)
- Annual Leave	13,675	(39,900)

NOTE 7: AUDITING EXPENSES

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

Auditing the financial report	6,200	6,000
Other services	<u>3,100</u>	<u>3,000</u>
	<u>9,300</u>	<u>9,000</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 2010

	2010	2009
	\$	\$
NOTE 8: CASH & CASH EQUIVALENTS		
Cash on Hand	87	436
Cash Held at Call with Credit Unions:		
Cash with Members Australia Credit Union	957,800	54,259
Cash with Laboratories Credit Union	16,333	59,302
Cash on Deposit with Credit Unions:		
Deposits with Members Australia Credit Union	239,767	232,108
Deposits with Laboratories Credit Union	<u>509,553</u>	<u>394,656</u>
	<u>1,723,540</u>	<u>740,761</u>

NOTE 9: RECEIVABLES

Sundry Debtors	5,199	2,465
Accrued Interest	<u>12,277</u>	<u>4,722</u>
	<u>17,476</u>	<u>7,187</u>

NOTE 10: FINANCIAL ASSETS

Available for Sale Financial Assets:		
Shares in Members Australia Credit Union	10	10
Managed Funds Investment	<u>17,688</u>	<u>668,020</u>
	<u>17,698</u>	<u>668,030</u>

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

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

Current year impairment of investments	(1,669)	(130,503)
Impairment of investments transferred from Available-for-Sale Reserve	<u>-</u>	<u>52,472</u>
Net impairment of investments	<u>(1,669)</u>	<u>(78,031)</u>

CSIRO STAFF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010 \$	2009 \$
NOTE 11: OTHER ASSETS		
Prepayments	<u>3,883</u>	<u>2,301</u>
	<u>3,883</u>	<u>2,301</u>

NOTE 12: PLANT & EQUIPMENT

Office Furniture & Equipment	57,391	59,110
Less: Accumulated Depreciation	<u>(50,839)</u>	<u>(53,378)</u>
	<u>6,552</u>	<u>5,732</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:

	Office Furniture & Equipment	Total
Year Ended 30 June 2010:		
Balance at the beginning of year	\$ 5,732	\$ 5,732
Additions	3,926	3,926
Disposals	-	-
Depreciation/Amortisation	<u>(3,106)</u>	<u>(3,106)</u>
Carrying amount at end of year	<u>\$ 6,552</u>	<u>\$ 6,552</u>
Year Ended 30 June 2009:		
Balance at the beginning of year	\$ 6,080	\$ 6,080
Additions	3,115	3,115
Disposals	(816)	(816)
Depreciation/Amortisation	<u>(2,647)</u>	<u>(2,647)</u>
Carrying amount at end of year	<u>\$ 5,732</u>	<u>\$ 5,732</u>

CSIRO STAFF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010	2009
	\$	\$
NOTE 13: ACCOUNTS PAYABLE		
CPSU National Office	150,317	120,411
Sundry Creditors	<u>19,197</u>	<u>16,192</u>
	<u>169,514</u>	<u>136,603</u>

NOTE 14: PROVISIONS

Current

Employee Benefits - short term benefits at nominal value:

Provision for Annual Leave	65,123	51,448
Provision for Long Service Leave Oncosts	<u>20,000</u>	<u>17,000</u>
	<u>85,123</u>	<u>68,448</u>
(a) Provision for Annual Leave in respect to:		
Elected Officials	18,672	17,531
Administrative and Industrial Staff	<u>46,451</u>	<u>33,917</u>
	<u>65,123</u>	<u>51,448</u>
(b) Provision for Long Service Leave Oncosts in respect to:		
Elected Officials	3,280	1,950
Administrative and Industrial Staff	<u>16,720</u>	<u>15,050</u>
	<u>20,000</u>	<u>17,000</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	64,584	74,028
- later than one year but not later than five years	258,336	272,400
- later than five years	<u>156,100</u>	<u>232,698</u>
	<u>479,020</u>	<u>579,126</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 2010

2010 2009
\$ \$

NOTE 16: CASH FLOW INFORMATION

(a) Reconciliation of Cash & Cash Equivalents

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

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

Cash on Hand	87	436
Cash Held at Call with Credit Unions	974,133	113,561
Cash on Deposits with Credit Unions	<u>749,320</u>	<u>626,764</u>
	<u>1,723,540</u>	<u>740,761</u>

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

Operating profit/(loss) for year	295,552	45,272
Non-cash flows in operating profit		
Depreciation & Amortisation	3,106	2,647
Loss on Disposal of Plant and Equipment	-	816
(Profit)/Loss on Disposal of Investments	(98,662)	38,153
Impairment Loss	1,669	78,031
Changes in assets and liabilities		
(Increase)/Decrease in Receivables	(10,289)	25,495
(Increase)/Decrease in Other Assets	(1,582)	721
(Increase)/Decrease in Other Financial Assets	(10,450)	(18,049)
Increase/(Decrease) in Accounts Payable	32,910	(33,849)
Increase/(Decrease) in Employee Provisions	<u>16,675</u>	<u>(48,201)</u>
Net Cash Provided by/(Used in) Operating Activities	<u>228,929</u>	<u>91,036</u>

(c) Financing Facilities

The Section has no overdraft facilities.

CSIRO STAFF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

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	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
	\$	\$	%	%	\$	\$	\$	\$	\$	\$
Financial Assets										
Cash and Bank Deposits	1,723,540	740,761	4.64	6.42	87	436	974,133	113,561	749,320	626,764
Managed Funds	17,676	668,030	-	4.82	17,676	516,596	-	151,434	-	-
Receivables	17,476	7,187	-	-	17,476	7,187	-	-	-	-
Total Financial Assets	1,758,692	1,415,978			35,239	524,219	974,133	264,995	749,320	626,764
Financial Liabilities										
Accounts Payable	169,514	136,603	-	-	169,514	136,603	-	-	-	-
Total Financial Liabilities	169,514	136,603			169,514	136,603	-	-	-	-

(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:

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

NOTE 17: FINANCIAL INSTRUMENTS *continued*

(c) Market Risk *continued*

2010	Total Carrying Value	Interest Rate Risk				Price Risk				Return Risk			
		-1% Profit	-1% Equity	+1% Profit	+1% Equity	-20% Profit	-20% Equity	+20% Profit	+20% Equity	-2% Profit	-2% Equity	+2% Profit	+2% Equity
Financial Assets													
Cash and Bank Deposits	1,723,540	(17,015)	(17,015)	17,015	17,015	-	-	-	-	-	-	-	-
Managed Funds	17,676	-	-	-	-	(3,538)	(3,538)	-	3,538	(354)	(354)	354	354
Receivables	17,476	-	-	-	-	-	-	-	-	-	-	-	-
Financial Liabilities													
Accounts Payable	169,514	-	-	-	-	-	-	-	-	-	-	-	-

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
Financial Assets													
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	-	-	-	-	-	-	-	-	-	-	-	-
Financial Liabilities													
Accounts Payable	136,603	-	-	-	-	-	-	-	-	-	-	-	-

CSIRO STAFF ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

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 2010.

(f) Liquidity Risk

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