Part five
appendices

Appendix 1: Service Charter

CSIRO's Service Charter describes the standards of service we aim to deliver to our customers and our commitment to ensuring that these standards are maintained.

In summary:

- we believe our customers and partners are essential to our success
- we maintain relevance in our work through input from the public, government, industry and the research community
- we communicate with our customers in a courteous, helpful and professional manner
- we respect our customers' confidentiality
- we evaluate our services to ensure the highest standards.

Our full Service Charter is available on our website: **www.csiro.au/servicecharter**

CSIRO welcomes your feedback on our performance. Please contact the CSIRO officer with whom you have been dealing or CSIRO Enquiries who can direct your feedback to the relevant person.

CSIRO ENQUIRIES
Private Bag 10, Clayton South, VIC 3169

t 1300 363 400
f +61 3 9545 2175
e enquiries@csiro.au

Appendix 2: Administrative law

Freedom of information

The *Freedom of Information Act 1982* (FOI Act) provides the public with a general right of access to documents held by Australian Government agencies including CSIRO. The general right is limited by exceptions to protect essential public interests or the privacy or business affairs of those who give information to the agency.

In the reporting year to 30 June 2012, CSIRO received 46 requests for information under the FOI Act.

The following information is provided in compliance with section 8 of the FOI Act:

- the functions and powers of CSIRO are set out on page 78.
- information about CSIRO's procedures for external consultation can be found at **www.csiro.au/SAC** and **www.csiro.au/FAC**
- CSIRO holds the following categories of documents:
  - corporate records including documents relating to government, policy, finance, personnel, business development, commercialisation, communication, real property, intellectual property and education
  - business unit records including documents relating to scientific research and technology transfer
- members of the public may obtain access to scientific and technical publications from **CSIRO** PUBLISHING (**www.publish.csiro.au**) and the ePublish repository (**https://publications.csiro.au**). CSIRO administrative manuals are available from the FOI Officer.

Part V of the FOI Act confers a right to request CSIRO to amend a document to which lawful access has been granted, where the applicant claims that information in the document:

- relates to his or her personal affairs
- is incomplete, incorrect, out-of-date or misleading
- has been used, is being used, or is available for use by the agency or Minister for an administrative purpose.

In the reporting year to 30 June 2012, CSIRO received no requests for amendments of personal information under the FOI Act.

INFORMATION PUBLICATION SCHEME

CSIRO is required to publish information to the public as part of the Information Publication Scheme (IPS). This requirement is in Part II of the FOI Act and has replaced the former requirement to publish a section 8 statement in an annual report. CSIRO displays on its website a plan showing what information it publishes in accordance with the IPS requirements.

ARCHIVES, PRIVACY, ADMINISTRATIVE DECISIONS

CSIRO maintains an archives collection which includes records dating from the establishment in 1926 of the Council for Science and Industrial Research, the predecessor of CSIRO. Certain CSIRO records are held by Australian Archives. Disposal arrangements for CSIRO records are made in accordance with the provisions of the *Archives Act 1983*. Access to records over 20 years old is provided in accordance with that Act.

The *Privacy Act 1988* provides for Information Privacy Principles and National Privacy Principles. During 2011–12, the Office of the Australian Information Commissioner did not undertake any investigations under section 36 of the *Privacy Act 1988* in relation to CSIRO.

The *Administrative Decisions (Judicial Review) Act 1977* (ADJR Act) enables a person aggrieved by certain classes of administrative decisions made by Australian Government agencies, including CSIRO, to obtain reasons for or to challenge those decisions. During 2011–12, CSIRO received no challenges or requests for statements of reasons under the ADJR Act.

JUDICIAL DECISIONS

During 2011–12, there were no judicial decisions or decisions of administrative tribunals that have had, or may have, a significant impact on the operations of CSIRO.

REVIEWS BY OUTSIDE BODIES

During 2011–12, there were no reports on the operations of CSIRO by the Auditor-General (other than the report on the financial statements), a Parliamentary Committee or the Commonwealth Ombudsman.

CONTACT

All enquiries under the above legislation (including FOI requests) should be directed to:

FOI and Privacy Officer
CSIRO, PO Box 225, Campbell ACT 2602
t 02 6276 6123
f 02 6276 6437
e rosemary.caldwell@csiro.au

Appendix 3: Consultancy services

The CSIRO engages consultants where it lacks specialist expertise or when independent research, review or assessment is required. Consultants are typically engaged to investigate or diagnose a defined issue or problem; carry out defined reviews or evaluations; or provide independent advice, information or creative solutions to assist in the CSIRO's decision-making.

Prior to engaging consultants, the CSIRO takes into account the skills and resources required for the task, the skills available internally, and the cost-effectiveness of engaging external expertise. The decision to engage a consultant is made in accordance with the Commonwealth Procurement Guidelines (CPGs), CSIRO's procurement policy and other relevant internal policies.

CSIRO's policy on selection and engagement of consultants is based on the principles of:

- value for money
- open and effective competition
- ethics and fair dealing
- accountability and reporting
- national competitiveness and industry development
- support for other Australian Government policies.

These principles are included within CSIRO's Procurement Policy and Procedures.

Tables 5.1, 5.2 and 5.3 summarise the consultancies let and the annual spend, the reason for the consultancy and the procurement method. All values include goods and services tax.

TABLE 5.1: ANNUAL SPEND ON CONSULTANCIES

YEAR	SPENT $	LET $ (ESTIMATED WHOLE OF LIFE)
2011–12	1,621,697	1,096,277
2010–11	1,845,670	1,917,497
2009–10	1,249,355	2,282,903

TABLE 5.2: CONSULTANCIES 2011–12 – SUMMARY BY REASON CODE

		2011–12 (TO 30 JUNE 2012)	
CATEGORY CODE	REASON FOR CONSULTANCY	NUMBER OF CONSULTANCIES	VALUE $
IS	Need for independent study/evaluation	9	378,818
PA	Need for professional assistance to manage and facilitate change and its consequence	1	75,450
SS	Specialist skills were not otherwise available	5	642,009
Total		**15**	**1,096,277**

TABLE 5.3: SUMMARY BY PROCUREMENT METHOD CODE

CATEGORY CODE	PROCUREMENT METHOD	2011–12 (TO 30 JUNE 2012) NUMBER OF CONSULTANCIES	VALUE $
OT	Tenders sought from the market place (Request for Proposal, Request for Tender, Expressions of Interest).	0	-
PM	An existing panel member – this category includes standing offers, common use arrangements and approved supplier panels.	4	151,800
ST	Tenders being sought from suppliers who have pre-qualified through some form of previous competitive process.	0	-
RQ	Purchasing thresholds consistent with CSIRO's minimal standards.	2	47,366
EX	Exemption arrangement such as sole supplier, pre-eminent expertise or urgency and/or practicality.	9	897,111
Total		**15**	**1,096,277**

Appendix 4: Science and Industry Endowment Fund Annual Report 2011–12

As the recipient of funds from CSIRO's successful wireless local area network (WLAN) technology, the Science and Industry Endowment Fund (SIEF) has taken seriously its responsibility to grow and leverage those funds, to ensure that the benefits to Australian science and the Australian community are maximised. In times of economic downturn, the wisdom of setting aside funds to ensure that national challenges can be addressed by the best science teams in Australia becomes even more apparent. As most sectors of the Australian community, public and private, come under increasing financial pressures, SIEF has been successful in continuing to implement its strategic goals and expand its programs through the financial stewardship of the Fund.

In reflecting on the Fund's activities over the past twelve months, I have been reminded of the faith invested in the Fund by Australians since its establishment in 1926. The government of the day expressed that faith as follows:

'[Scientists] with reputations to uphold can generally be trusted to rise above the petty considerations which so often influence other people. I am prepared to trust them with sums of money, believing that they will use it in the best interests of humanity.'

It has been my endeavour, in partnership with the esteemed members of the Fund's Advisory Council and Expert Panel, to uphold that historic ideal, and it is my pleasure to report on how this has been achieved in the foregoing year.

USE OF INVESTMENT PROCEEDS

The availability of $10 million of investment proceeds derived from the Fund's capital has enabled me to create an entirely new program responding to a need to invest in Australian Synchrotron Science. The program fills a gap in the National Innovation System by providing access for Australian Publicly Funded Research Agencies to the Australian Synchrotron and forms part of a co-ordinated funding effort that includes the government and university sectors.

Round 4 of SIEF's Research Projects program, currently in the process of selection, has been supplemented by $4 million of investment proceeds to ensure that sufficient funds are available to appropriately support all meritorious proposals. The Australian Synchrotron Science program and extension of the Research Projects program are examples of the tangible benefits for Australian science that have arisen by virtue of prudent investment of SIEF's capital.

The Fund also continues its support of the CREativity in Science and Technology (CREST) program out of the investment proceeds derived from the original 1926 appropriation of 100,000 pounds.

LEVERAGED FUNDS

Equally important as prudent financial investment has been my determination to ensure that SIEF funds are used to attract additional funding for science from other sources.

For example, SIEF pledged $4 million of cash funding for the eReefs project, designed to provide tools for scientists and policy-makers with respect to our unique national resource, the Great Barrier Reef. This pledge was made conditional on the project securing additional support from other sources, and this approach resulted in the project attracting an additional $3.5 million.[1]

Another SIEF-funded project, investigating stem cells in relation to human blood, has enabled two of the collaborators, CSIRO and the Walter and Eliza Hall Institute, to direct resources to a further project investigating breast tissue stem cells. This is another example of the many ways in which SIEF funding has had a multiplying effect on Australian science.

1 The eReefs Project is a collaboration between the Great Barrier Reef Foundation, the Bureau of Meteorology, CSIRO, the Australian Institute of Marine Science and the Queensland Government, supported by funding from the Australian Government's Caring for our Country, the Queensland Government, the BHP Billiton Mitsubishi Alliance, and the Science and Industry Endowment Fund.

Speakers at the CSIRO, AIBL and Alzheimer's Australia public lecture, Professor David Ames, Dr Maria Carrillo and Ms Ita Buttrose, President, Alzheimer's Australia, with Dr Richard Head, Flagship Director, CSIRO Preventative Health Flagship.

It is gratifying that SIEF-funded projects, such as the Australian Imaging, Biomarkers and Lifestyle (AIBL) study, have used access to the SIEF funding to catalyse additional investment, including $8 million of industry funds from global healthcare and pharmaceutical companies; and $4 million in grants from federal, state and international funding agencies.

INVESTING IN AUSTRALIA'S SCIENCE FUTURE

In addition to addressing a range of national challenges through targeted research projects, SIEF has continued to invest in Australia's science future through a variety of scholarships and fellowships. At Parliament House, Canberra, in August 2011, recipients of those inaugural scholarships and fellowships, and the new SIEF-funded CSIRO Macquarie University Chair in Wireless Communications, Professor Stephen Hanley, were honoured. At that event, Senator the Hon Kim Carr, then Minister for Innovation, Industry, Science and Research, noted the current challenges to the Australian economy afforded by the strong Australian dollar, and highlighted our nation's history of thriving on ideas. The ability to harness this quality and to work with the best and the brightest around the world has been a unifying theme for the history of SIEF since 1926, and today's economic conditions make this enterprise more relevant than ever.

Another means by which SIEF intends to invest in Australia's science future is through its research infrastructure program. The Fund is actively investigating a number of Australian research infrastructure investments to shore up the future of Australian science. In this endeavour, we are honouring the conviction of the Australian parliament at the establishment of the Fund in 1926:

'Money expended in fostering scientific research, and in the accumulation of scientific information, is well spent'.

ADVISORY COUNCIL, EXPERT PANEL AND UNDERGRADUATE DEGREE PANEL

SIEF is guided by an Advisory Council, Expert Panel and Undergraduate Degree Panel of eminent persons, all offering their expertise and judgment to SIEF *pro bono,* see page 168. I thank the members of these bodies for their guidance and support throughout the year, and their embodiment of the finest ideals to which the founders of SIEF aspired.

ADVISORY COUNCIL	EXPERT PANEL	UNDERGRADUATE DEGREE PANEL
Prof Alan Robson (Chair)	Prof Tom Spurling	Prof Margaret Sheil (Chair)
Prof Tom Spurling	Dr Ezio Rizzardo	Prof David Symington
Dr Ezio Rizzardo	Prof Oliver Mayo	Dr Terry Lyons
Prof Margaret Sheil	Emeritus Prof John McKenzie	
Mr Nigel Poole	Prof Elaine Sadler	
	Dr Trevor Powell	

IN CONCLUSION

It is a source of pride that in 2011–12, SIEF has continued to fulfil the aspirations of its forebears, by demonstrating that funds invested in science is indeed money well spent. Whether the value is judged by the outcomes of the science itself, or the inspiration it provides to others to join with SIEF in investing in science, as Trustee of SIEF I look forward to a continuation of achieving great outcomes for Australian science, and the community it serves, in the year ahead.

Dr Megan Clark
Trustee SIEF

Australian National
Audit Office

INDEPENDENT AUDITOR'S REPORT

To the Trustee of the Science and Industry Endowment Fund

I have audited the accompanying financial statements of the Science and Industry Endowment Fund for the year ended 30 June 2012, which comprise: a Statement by the Trustee and Chief Financial Officer for the Commonwealth Scientific and Industrial Research Organisation; Statement of Comprehensive Income; Balance Sheet; Statement of Changes in Equity; Cash Flow Statement; and Notes to and Forming Part of the Financial Statements including a Summary of Significant Accounting Policies.

Trustee's Responsibility for the Financial Statements

The Trustee of the Science and Industry Endowment Fund is responsible for the preparation of the financial statements that give a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations), and for such internal control as is necessary to enable the preparation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I have conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. These auditing standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Fund's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Trustee as well as evaluating the overall presentation of the financial statements.

GPO Box 707 CANBERRA ACT 2601
19 National Circuit BARTON ACT 2600
Phone (02) 6203 7300 Fax (02) 6203 7777

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

Independence

In conducting my audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the requirements of the Australian accounting profession.

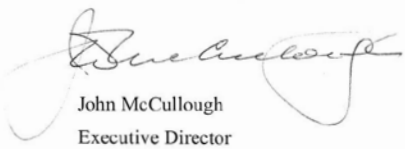
Opinion

In my opinion, the financial statements of the Science and Industry Endowment Fund:

(a) have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations); and

(b) give a true and fair view of the Science and Industry Endowment Fund's financial position as at 30 June 2012 and of its financial performance and cash flows for the year then ended.

Australian National Audit Office



John McCullough
Executive Director
Delegate of the Auditor-General
Canberra
20 August 2012

SCIENCE AND INDUSTRY ENDOWMENT FUND

STATEMENT BY TRUSTEE AND CHIEF FINANCE OFFICER OF CSIRO AS SERVICE PROVIDER TO THE SCIENCE AND INDUSTRY ENDOWMENT FUND

In our opinion, the attached financial statements for the year ended 30 June 2012 have been prepared based on properly maintained financial records and in accordance with Australian Accounting Standards and other mandatory financial reporting requirements in Australia, and give a true and fair view of the financial position of the Fund as at 30 June 2012 and of its performance for the year then ended.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable.

Megan Clark
Trustee of the Science and Industry Endowment Fund

20 August 2012

Hazel Bennett
Chief Finance Officer of CSIRO as service provider to the Science and Industry Endowment Fund

20 August 2012

SCIENCE AND INDUSTRY ENDOWMENT FUND
STATEMENT OF COMPREHENSIVE INCOME
For the period ended 30 June 2012

	Notes	2012 $	2011 $
EXPENSES			
Scientific research grants	8	15,083,556	8,998,517
Gift fund services fees		496,050	687,405
Consulting fees		-	64,266
Audit fees		7,000	7,000
Professional fees		4,415	-
In-kind advertising and approval fees	4	4,961	4,739
Other fees		7,843	64
Total expenses		**15,603,825**	**9,761,991**
LESS:			
REVENUE			
Gift income		-	100,000
Interest		8,694,011	6,444,319
In-kind contributions received	4	4,961	4,739
Total revenue		**8,698,972**	**6,549,058**
Net deficit		**(6,904,853)**	**(3,212,933)**
Other comprehensive income		-	-
Total comprehensive loss		**(6,904,853)**	**(3,212,933)**

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

SCIENCE AND INDUSTRY ENDOWMENT FUND
BALANCE SHEET
As at 30 June 2012

	Notes	2012 $	2011 $
ASSETS			
Cash	5	140,705,328	146,984,990
Interest receivable	6	1,577,577	782,734
GST receivable		331,916	373,849
Prepayments		2,466	-
TOTAL ASSETS		**142,617,287**	**148,141,573**
LIABILITIES			
Payables			
Creditors		1,702,212	502,815
Accrued expenses	7	393,532	212,362
Total payables		**2,095,744**	**715,177**
TOTAL LIABILITIES		**2,095,744**	**715,177**
NET ASSETS		**140,521,543**	**147,426,396**
EQUITY			
Contributed equity		200,000	200,000
Retained surplus		140,321,543	147,226,396
TOTAL EQUITY		**140,521,543**	**147,426,396**

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

SCIENCE AND INDUSTRY ENDOWMENT FUND
STATEMENT OF CHANGES IN EQUITY
For the period ended 30 June 2012

	Retained Surplus		Contributed Equity		Total Equity	
	2012 $	2011 $	2012 $	2011 $	2012 $	2011 $
Balance as at 1 July	147,226,396	150,439,329	200,000	200,000	147,426,396	150,639,329
Net deficit	(6,904,853)	(3,212,933)	-	-	(6,904,853)	(3,212,933)
Closing balance at 30 June	140,321,543	147,226,396	200,000	200,000	140,521,543	147,426,396

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

SCIENCE AND INDUSTRY ENDOWMENT FUND
CASH FLOW STATEMENT
For the period ended 30 June 2012

	Notes	2012 $	2011 $
OPERATING ACTIVITIES			
Cash received			
Gift receipts from CSIRO		-	50,100,000
Interest received		7,899,168	7,515,587
Net GST received		1,580,824	887,289
Total cash received		**9,479,992**	**58,502,876**
Cash used			
Payments to grantees		15,120,858	8,830,800
Other payments		638,569	1,256,504
Bank fees paid		227	64
Total cash used		**15,759,654**	**10,087,368**
Net cash provided/(used) by operating activities	9	**(6,279,662)**	**48,415,508**
Net increase/(decrease) in cash held		(6,279,662)	48,415,508
Cash at the beginning of the reporting period		146,984,990	98,569,482
Cash at the end of the reporting period		**140,705,328**	**146,984,990**

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

SCIENCE AND INDUSTRY ENDOWMENT FUND
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the period ended 30 June 2012

Note 1 Summary of Significant Accounting Policies

1.1 Basis of Preparation of the Financial Statements

The financial report is required by section 10 of the *Science and Industry Endowment Act 1926* and is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial statements have been prepared on an accrual basis and are in accordance with the historical cost convention. No allowance is made for the effect of changing prices on the results or the financial position.

Assets and liabilities are recognised in the Balance Sheet when, and only when, it is probable that future economic benefits will flow and the amounts of the assets or liabilities can be reliably measured.

Revenues and expenses are recognised in the Statement of Comprehensive Income when, and only when, the flow or consumption or loss of economic benefits has occurred and can be reliably measured.

The financial statements are presented in Australian Dollars and values are rounded to the nearest dollar unless otherwise specified.

1.2 Cash

For the purpose of the Statement of Cash Flows, cash includes cash at bank and deposits at call. They are readily convertible to cash.

1.3 Revenue

Interest revenue is recognised using the effective interest method as set out in AASB 139 Financial Instruments: Recognition and Measurement.

1.4 Resources Received Free of Charge

Services received free of charge are recognised as gains when and only when a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense.

1.5 Financial Instruments

Accounting policies for financial instruments are stated in Note 10.

1.6 Taxation

The Fund is exempted from Income Tax.

1.7 Events after the Balance Sheet Date

At the time of completion of this note, the Trustee is not aware of any significant events occurring after the reporting date.

Note 2 Principal Activity

The Fund was established under the *Science and Industry Endowment Act 1926* with the Trustee of the Fund being the CSIRO Chief Executive. An appropriation of 100 000 pounds was received at the time the Fund was established. The funds were invested and have subsequently earned interest over time.

The principal activity of the Science and Industry Endowment Fund is to provide assistance to persons engaged in scientific research and in the training of students in scientific research.

New Gift October 2009

In October 2009, Senator Carr announced a gift of $150 million to be donated by CSIRO to the Science and Industry Endowment Fund. The gift is intended to be used for scientific research for the purposes of assisting Australian industry, furthering the interests of the Australian community or contributing to the achievement of Australian national objectives. The gift was made subject to the terms of a Deed of Gift between the Trustee and CSIRO dated 15 October 2009.

One hundred million dollars was received in financial year 2009–10. The final instalment of $50 million was received in financial year 2010–11.

Note 3 Contingencies and Commitments

No contingent liabilities exist as at 30 June 2012.

Schedule of Commitments	**2012**	**2011**
BY TYPE	**$**	**$**
Grants payable	35,936,867	17,702,895
Total grants payable	**35,936,867**	**17,702,895**
BY MATURITY		
One year or less	11,821,391	9,218,147
From one to five years	24,115,476	8,184,868
More than five years	-	299,880
Total grants payable	**35,936,867**	**17,702,895**

Note: Commitments are GST exclusive.

Note 4 Estimated value of resources provided free of charge by CSIRO are as follows:		
– advertising and approval fees	4,961	4,739
Total	**4,961**	**4,739**

Note 5 Cash		
Cash at bank	35,997	381,349
Deposits – at call	140,669,331	146,603,641
Total	**140,705,328**	**146,984,990**

Note 6 Receivables		
Interest receivable	1,577,577	782,734
	1,577,577	**782,734**
Gross receivables are aged as follows:		
Not overdue	**1,577,577**	**782,734**

Note 7	Accrued expenses	2012 $	2011 $
	Macquarie University joint chair in Wireless Communication	246,480	-
	Service fee under Services Agreement with CSIRO	108,911	174,347
	CREST Program awards	31,141	31,015
	Audit fee	7,000	7,000
	Total	**393,532**	**212,362**

Note 8	Scientific research grants		
	CREST Program awards	31,141	31,015
	Scholarships	1,399,000	385,000
	Macquarie University joint chair in Wireless Communication	246,480	365,104
	Research Project Grants	13,406,935	8,217,398
	Total	**15,083,556**	**8,998,517**

Note 9	Cash Flow Reconciliation		
	Reconciliation of operating surplus to net cash from/(used by) operating activities:		
	Operating surplus/(deficit)	(6,904,853)	(3,212,933)
	Changes in assets and liabilities		
	(Increase)/decrease in receivables	(752,910)	50,995,819
	(Increase)/decrease in prepayments	(2,466)	482,398
	Increase/(decrease) in payables	1,380,567	150,224
	Net cash from/(used by) operating activities	**(6,279,662)**	**48,415,508**

Note 10 Financial Instruments	2012	2011
10A: Categories of Financial Instruments	**$**	**$**
Financial Assets		
Cash	140,705,328	146,984,990
Interest Receivable	1,577,577	782,734
Total financial assets	142,282,905	147,767,724
Financial liabilities		
Supplier Payables	2,095,744	715,177
Total financial liabilities	2,095,744	715,177

The net value of the financial assets are their carrying amounts.

10B: Credit risk

SIEF is exposed to minimal credit risk as financial assets represent cash and short term deposits held at reputable Australian financial institutions and receivables from the CSIRO. For the purpose of this note GST receivables are not disclosed as financial instruments as they do no meet the definition of a financial asset. SIEF has assessed the risk of default on payment to be nil as of 30 June 2012 (2011: nil).

10C: Liquidity risk

SIEF's financial liabilities are supplier payables. The exposure to liquidity risk is based on the notion that SIEF will encounter difficulty in meeting its obligations associated with financial liabilities. This is highly unlikely due to funding that is in place and internal policies and procedures to ensure that there are appropriate resources to meet its financial obligations.

10D: Market risk

SIEF holds basic financial instruments that do not expose SIEF to any market, currency or other price risk.

10E: Interest rate risk

SIEF maintains an operating bank account and short term deposits which are subject to short term interest rates. Funds are maintained in term deposits for short periods. In 2011–12 the average return on cash and short term deposits was 5.88% (2011: 5.96%).

Appendix 5: Research group structure

Energy

DIVISIONS

Earth Science and Resource Engineering

Energy Technology

PORTFOLIOS

Advanced Coal Technology

Energy Transformed National Research Flagship

Petroleum and Geothermal

Wealth from Oceans National Research Flagship

Environment

DIVISIONS

Ecosystems Sciences

Land and Water

Marine and Atmospheric Research

PORTFOLIOS

Biodiversity

Climate Adaptation National Research Flagship

Marine and Atmospheric Research

Water for a Healthy Country National Research Flagship

Ecosystems Sciences

Facilities and Collections

Australian National Fish Collection

Australian National Wildlife Collection

Marine National Facility

Food, Health and Life Science Industries

DIVISIONS

Food and Nutritional Sciences

Livestock Industries

Plant Industry

PORTFOLIOS

Food Futures National Research Flagship

Food and Nutritional Sciences

Livestock Industries

Plant Industry

Preventative Health National Research Flagship

Sustainable Agriculture National Research Flagship

TRANSFORMATIONAL CAPABILITY PLATFORM

Transformational Biology

FACILITIES AND COLLECTIONS

Australian Animal Health Laboratory

Australian National Herbarium

Australian National Insect Collection

Information Sciences

DIVISIONS

Astronomy and Space Science

ICT Centre

Mathematics, Informatics and Statistics

PORTFOLIOS

Astronomy and Space Sciences

Digital Technologies and Services

TRANSFORMATIONAL CAPABILITY PLATFORM

Computational and Simulations Sciences

Sensors and Sensor Networks

FACILITIES AND COLLECTIONS

Australia Telescope National Facility

Canberra Deep Space Communication Complex

Manufacturing, Materials and Minerals

DIVISIONS

Materials Science and Engineering

Process Science and Engineering

PORTFOLIOS

Future Manufacturing National Research Flagship

Minerals Down Under National Research Flagship

Materials Science and Engineering

TRANSFORMATIONAL CAPABILITY PLATFORM

Advanced Materials