

Income Statement for the year ended 30 June 2010			
	2010	2009	
	\$	\$	
REVENUE			
Donations and Gifts			
– Monetary and Non-Monetary	500.00	1,518.00	
Grants			
– AusAID (APEC Workshops)	6,986.00	0	
– Other Australian	0	0	
– Other Overseas	0	0	
Investment Income	0	0	
Other Income (1)	53,851.00	45,160.00	
TOTAL REVENUE	61,337.00	46,678.00	
EXPENSES			
Overseas Projects			
– Funds to Overseas Projects	0	0	
– Other Project Costs	1,510.00	0	
Domestic Projects	0	0	
Community Education	0	0	
Fundraising Costs			
– Public	0	0	
– Government and Multilaterals	0	0	
Accountability & Administration (2)	42,619.00	35,450.00	
TOTAL EXPENSES	44,129.00	35,450.00	
Excess of Revenue over Expenses	17,208.00	11,228.00	
Notes:			
1. Includes:	Membership Subscriptions Organisations	43,284.00	27,666.00
	Individuals	7,310.00	6,056.00
2. Includes:	Administration Expenses	15,083.00	14,390.00
	Travel & Accommodation		
	Local and International	17,497.00	10,240.00
	Operational Costs	8,562.00	7,947.00

Balance Sheet for the year ending 30 June 2010		
	2010	2009
ASSETS		
Current Assets		
– Cash and Cash Equivalents	78,149.00	65,905.00
– Financial Assets	10,132.00	18,671.00
Non-Current Assets		
– Property, Plant & Equipment	0	0
– Other	0	0
TOTAL ASSETS	88,281.00	84,576.00
LIABILITIES		
Current Liabilities		
– Trade and Other Payables	12,842.00	15,205.00
– Provisions	1,157.00	4,513.00
Non-Current Liabilities		
– Payables	0	0
– Other (Pre-Paid Membership Subscriptions)	3,110.00	10,894.00
Total Liabilities	17,109.00	30,612.00
NET ASSETS	71,172.00	53,964.00
EQUITY		
Reserves	0	0

Statement of Changes in Equity for the year ending 30 June 2010			
	Retained Earnings	Reserves	Total
Balance at 1-Jul-09 (commencing balance)	53,964.00	0	53,964.00
Excess of Revenue over Expenses	17,208.00	0	17,208.00
Amount Transferred (to) from Reserves	0	0	0
Balance at 30-Jun-10 (ending balance)	71,172.00	0	71,172.00

Statement of Cash Flows for the year ended 30 June 2010		
	2010	2009
Cash flows from operating activities		
Cash receipts in the course of operations	82,521	159,595
Cash payments in the course of operations	(70,277)	(151,428)
Net Cash (used)/provided by operating activities	12,244	8,167
Cash flows from investing activities		
	0	0
Cash flows from financing activities		
	0	0
Net (decrease)/increase in cash held	12,244	8,167
Cash at the beginning of the financial year	65,905	57,738
Cash at the end of the financial year	78,149	65,905

No single appeal, grant or other form of fund raising for a designated purpose generated 10% or more of TI Australia's total income for the financial year.

Independent Auditor's Report to the Members

Report on the Concise Financial Report

The accompanying concise financial report of Transparency International Australia comprises the Balance Sheet as at 30 June 2010, the Income Statement and Cash Flow Statement for the year then ended, derived from the audited financial report of Transparency International Australia for the year ended 30 June 2010. The concise financial report does not contain all the disclosures required by the Australian Accounting Standards.

Directors' responsibility for the Concise Financial Report

The Directors are responsible for the preparation and presentation of the concise financial report in accordance with Accounting Standard AASB 1039 *Concise Financial Reports*, and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation of the concise financial report; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the concise financial report based on our audit procedures. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of Transparency International Australia for the year ended 30 June 2010. Our audit report on the financial report for the year was signed on 9 November 2010 and was not subject to any modification. The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

Our procedures in respect of the concise financial report included testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of evidence supporting the amounts and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with Accounting Standard AASB 1039 *Concise Financial Reports*.

Our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the concise financial report.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's opinion

In our opinion, the concise financial report of Transparency International Australia for the year ended 30 June 2010 complies with Australian Accounting Standard AASB 1039 *Concise Financial Reports*.

Priscilla Louise Cooper

Priscilla Louise Cooper

Paul Lewis

Paul Lewis

Partner
Melbourne – 8 December 2010

Statement on behalf of the Board

I, Michael Ahrens, Director and Chief Executive of Transparency International Australia, state that the concise financial report has been derived from the full financial report of the Company, and shows a true and fair view of the state of affairs of the Company. A full set of audited accounts are available upon request, or can be viewed on the Company website – www.transparency.org.au

Michael Ahrens

Michael Ahrens



TRANSPARENCY INTERNATIONAL AUSTRALIA
Affiliate of Transparency International,
the Coalition against Corruption

ANNUAL REPORT

1 July 2009 to 30 June 2010

TI Australia's program of activities continues to benefit heavily from involvement in the global TI movement. The Chapter's work continues to be strengthened by access to TI tools, resources, and programs. In TI's work toward a world free of corruption, TI Australia joins with our colleagues in the TI Secretariat and in almost 100 national chapters, working across private and public sectors, and with other civil society organisations, to **promote transparency, build accountability and promote integrity**. TI Australia continues to work strategically across all sectors, domestically and internationally.



Transparency International Australia is a member of the Australian Council for International Development (ACFID) and is a signatory to the ACFID Code of Conduct. The Code requires members to meet high standards of corporate governance, public accountability and financial management.

More information about the ACFID Code of Conduct can be obtained from Transparency International Australia and from ACFID at:

Website: www.acfid.asn.au
Email: code@acfid.asn.au
Phone: 02 6281 9222
Fax: 02 6285 1720

Transparency International Australia

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Objectives

TI Australia works to promote transparency, accountability and integrity, nationally in Australia, and globally through the network of Transparency International (TI) by:

- mobilising a broad-based nationwide coalition as part of the global TI movement,
- fostering and supporting research, development and dissemination of effective corruption prevention and enforcement, and
- raising awareness and advocating action by government, business and civil society.

In Australia, TI Australia seeks to build a national coalition of those committed to reducing corruption through state-based and national activities, mainly in cooperation with other organisations. It does not investigate or expose specific cases, but works to improve conduct and systems in Australia and overseas.

The Board — the Directors during the financial year, were:

Michael Ahrens	Director of Australian Commercial Disputes Centre, previously senior partner of law firm Baker & McKenzie, Sydney. Director since 18 May 2004. Chief Executive of Transparency International Australia from 1 March 2006.
Jerrold Cripps	Appointed Director of TI Australia on 5 November 2009. Appointed Chairman of TI Australia on 18 November 2009. (Resigned as Director and Chairman on 31st August 2010.)
Jane Ellis Seabrook	Special Counsel, Blake Dawson. Board Member of WaterAID. Director of Transparency International Australia since 6 February 2008 (previously a Director 2001-2005).
Grahame Leonard AM	Lawyer and Business Consultant. Chairman of Readify Pty Ltd; Chairman of ProfitLink Consulting Pty Ltd; Director of VITS LanguageLink; President JNF of Australia Inc.; Director of Caulfield Park Community Financial Services Limited. Director of Nirosoft Australia Pty Ltd. Chief Executive Officer of Transparency International Australia from 13 May 2003 to 1 March 2006. Director since 11 December 2002.
David Mattiske	Retired Telstra Executive and International Telecommunications Consultant. Director of TI Australia since 6 October 2005. (Granted Leave of absence 23 March 2010 to October 2010)
Elizabeth O’Keeffe	Strategic Management Consultant. Director of TI Australia since 7 August 2006.
Greg Thompson	Director of Australian Volunteers International; Director of TI Australia since 16 June 1995. Executive Director International of TI Australia since 18 November 2009. (Acting Chairman of TI Australia from 31st August 2010.)
Peter Thorne	Former Member, National Procurement Board; Director, Computer Forensic Services Pty Ltd. Appointed Alternate Director of TI Australia since 23 March 2010 (Alternate to David Mattiske).
Graham Tupper	National Liaison Manager, Australian Conservation Foundation. Former Executive Director, Australian Council for International Development. Director of TI Australia since 6 October 2005.
Harold Werksman	Partner, Holding Redlich; Board Member, Comcover Advisory Council. Director of TI Australia since 27 January 2009.
Peter Willis	Barrister. No other current public company directorships. Chairman, Ivanhoe East Primary School Co-operative Ltd. Past Chairman of Disciplinary Appeals Board (Victoria) and AFM Investment Partners Ltd. Former partner of Mallesons Stephen Jaques. Director of TI Australia since 20 February 1997.

Private Sector

- The **Global Corruption Report 2009** on Corruption and the Private Sector is one of a number of TI resources and tools which TI Australia is able to offer to business as they strengthen their own protections against corruption. The 2009 Report focuses on the ‘supply side’ of corruption, addressing a range of corruption risks and assessing tools available to companies as they work to raise corporate integrity. It was launched in Sydney by the Hon Murray Gleeson AC and in Melbourne by Prof. Howard Dick of The University of Melbourne.
- Australia improved its position in the **Corruption Perceptions Index 2009**, as the Australian Government considerably increased penalties for offences of bribery of Commonwealth Public Servants or foreign public officials.
- As the G20 Leaders respond to the Global Financial Crisis, TI has welcomed the greater recognition of the significant impact of corruption on the health of the global financial system. TI Australia is an active contributor to the global movement’s advocacy for greater transparency, accountability and integrity of our key institutions, including those in the private sector.
- While working to expose the impact of corruption in the global economic system, TI continues to collaborate with others including the **UN Global Compact**, the **World Economic Forum** and the **International Chamber of Commerce** in the development of resources and tools to support corporate efforts to end corruption. Supplementing **Business Principles for Countering Bribery**, new resources available include the **Guidance Document to the 10th Principle of the UN Global Compact, TRAC** (a rating method for companies based on their degree of public reporting of their strategies, policies and commitments to countering bribery), and **RESIST**, a company tool for anti-corruption employee training.

Public Sector

- **Victoria – Proust Review:** In June 2010 the Victorian Government announced it would adopt the recommendations

of the Proust Review of Public Sector Integrity arrangements. This includes the establishment of an Integrity and Anti-Corruption Commission, chaired by a Public Sector Integrity Commissioner to investigate allegations of corruption in the public sector and local government, including whistleblower complaints; establishing a Parliamentary Integrity Commissioner; and establishing

to cover the Customs and Border Protection Service (which exercises significant law enforcement powers), was implemented just prior to the election. TIA continues to urge all federal political parties to commit to legislate to set up a standing integrity and anti-corruption body with oversight power over all federal agencies, and to provide adequate resources to that body.

KEY HIGHLIGHTS

The Inaugural **Frank Costigan Oration** was presented by the **Hon. John Cain**, former Premier of Victoria in November 2009. TI Australia, in conjunction with the Melbourne Law School, established the Oration in honour of our late Chairman’s contribution to Australian public life as a champion of the fight against corruption.



Frank Costigan QC

an Integrity Coordination Board to strengthen coordination, cooperation and information sharing across Victoria’s integrity and anti-corruption system. In October 2010, the Government released a Discussion Paper and draft legislation establishing the Parliamentary Integrity Commissioner. TIA is pleased that all major political parties have now committed to the establishment of an Integrity and Anti-Corruption Commission for Victoria.

- **Tasmanian Integrity Commission:** The *Integrity Commission Act 2009* passed the Tasmanian Parliament in November 2009. This was the outcome of a recommendation from the Joint Select Committee on Ethical Conduct, to which TI Australia made a submission. The Tasmanian Integrity Commission commenced operations on 1 October 2010.
- **Commonwealth – Review of Australian Commission for Law Enforcement Integrity (ACLEI):** ACLEI was established in 2006 with jurisdiction to cover the law enforcement functions of the Australian Federal Police and the Australian Crime Commission. TI Australia made submissions to the Parliamentary Joint Committee (PJC) convened to review the operation of the Act. The PJC’s urgent interim recommendation that, as a minimum, the jurisdiction of ACLEI be enlarged
- **Whistleblower Protection – Queensland, NSW, Commonwealth legislation:** TIA joined in lobbying the Commonwealth Government, following its comprehensive Inquiry into whistleblower protection. In March 2010 the Government announced an extensive system of legal protection and support for whistleblowers. The proposed Public Interest Disclosure Act has yet to be introduced into Federal Parliament. Meanwhile Queensland’s Public Interest Disclosure Act 2010 has a broad scope, specifically extending protection to the media and their sources. It sets a new standard in whistleblower protection and will be the yardstick for legislative reform in this area.
- **Queensland Integrity Legislation:** TIA made a submission in response to the 2009 discussion paper on Integrity and Accountability in Queensland. The Integrity Act, with a comprehensive reform program including a ban on success fees for lobbyists and an expanded role for the Integrity Commissioner, came into force in January 2010. The Integrity Commissioner, an independent officer of the Parliament: provides advice to MPs, Ministers and senior executives about ethics and integrity issues; administers the lobbyists’ register; and monitors the interactions of lobbyists and state and local government.

International Program

- **UNCAC – Review Mechanism:** We are pleased to note that the Australian delegation to the Doha CoSP voted for this vital mechanism and to see the start of a peer review program of member states. TIA continues to lobby for greater NGO participation in decisions on ways to implement this important Convention.
- TI Australia continues to join others in advocating for the **Extractive Industries Transparency Initiative**. We welcome the graduation of Timor Leste and Mongolia as EITI compliant countries. TI Australia was delighted to host the visit of Karin Lissakers and her colleagues of the **Revenue Watch Institute** in March 2010, facilitating meetings with Government, Departmental Officers, Investors and Civil Society.
- TI Director Liz O’Keeffe represented TI Australia at the **TI AMM** in Berlin in November, which launched a global Strategic Planning process in which the Movement has been engaged over the past 12 months. Acting Chair, Greg Thompson, joined Liz at the TI Asia Pacific Regional Program Meeting in Delhi in May.

Regional Efforts

- TI Australia has signed an MOU with Australian Volunteers International, facilitating the recruitment of Australian volunteers for placement with TI Chapters in the Asia Pacific Region with TI’s Forest Governance Integrity Program in Indonesia and in support of Advocacy Legal Advice Centres
- Greg Thompson participated in a Strategic Planning workshop hosted by TI NZ and NZ Aid in support of the Pacific Chapters Capacity Building program supported by NZ Aid.

TI Australia welcomes continuing support by AusAID for the TI Asia Pacific Department’s Institutional Strengthening Program.



Michael Ahrens
Chief Executive