

Adult Learning Australia Inc

Annual General Report

2008 – 2009



Adult Learning Australia

ADULT LEARNING AUSTRALIA

ANNUAL GENERAL MEETING

Rendezvous Hotel, Melbourne

Saturday 28 November 2009

Dear Board Directors, Members and National Officer Staff

I have much pleasure in presenting my final report as President of Adult Learning Australia.

2009 has been a difficult year, heralded by the sudden departure of former CEO, Peter Peterson, and ALW Coordinator, Julia Gane. The situation during the months of December, January and February was unstable, a little volatile, and not very pleasant for all involved. However, the decisions of the Board taken at several meetings during the Fremantle national conference were implemented.

During this time the role of President was almost a full-time position; that is, until the return of the prodigal son, Ron Anderson, who generously offered to hold the reins as Acting CEO until we were able to recruit and appoint a new head of the national office. Working in tandem with Janie McOmish and Louise Gardner, Ron has been a tower of strength and his contribution to ALA is acknowledged by the Board and our organisational membership.

I would like to take this opportunity to thank Janie who, after returning from long overdue leave, continued to work tirelessly for ALA, often beyond expectations as the organisation was stabilised. And a special thanks also to Louise Gardner who was recruited to provide a national office presence, with support from Mary Hannan, during this period. Louise is still with us, and I appreciate her growing commitment to, and strong administrative support of, ALA.

In so many ways Mary embodies ALA and the essence of adult learning. Over many years she has been a steadfast and willing servant of our organisation, developing specialist skills in the evolving world of elearning, as well as taking on the role of national coordinator of the Broadband for Seniors Project this year. As mentioned, Mary also willingly put her hand up during those few months to steady the ship before Ron returned.

At this point I would like to introduce to you, and give a warm welcome, to our new Chief Executive Officer – Sally Thompson. In her role with ACEVic, Sally will be known to many of you for her excellent work with that state's peak ACE body, and I have no doubt she will help re-invigorate our organisation and, using the solid foundations provided by Ron, Janie and Louise, take ALA to new heights within parameters provided by a new Board.

Let me also introduce, and welcome, new Board members – Ros Currie from the Tresillian Community Centre in WA; George Papallo OAM, recently retired director of Macquarie College in NSW; and, Sue Ross who is the current head of the WEA in Adelaide. With a new Board and a new CEO, I can feel the winds of change will soon be filtering through the trees like a gentle Tasmanian sea breeze!

But I think it is quite clear that our financial viability must be THE priority for the new Board and CEO. Whilst we have recently secured core funding for 2010 – but without a research component and ALW remains 'contestable' - ALA must use this next twelve months to seriously explore means of reducing expenditure as well as securing other revenue sources to ensure that viability well into the future. Our relationship with DEEWR in particular has been important, but the evidence is clear that we can no longer rely solely on this one government department for our core funding.

The Broadband for Seniors project is an initiative that has been undertaken as one means of developing a revenue stream independent of our traditional DEEWR government funding base.

As most of you know, this project, worth \$15 million over a three year period, is a collaborative venture, with NEC being the main partner. It hasn't been smooth sailing, but we are now in a position to renegotiate our agreement with NEC in order to increase our percentage of revenue returns. Once again, may I acknowledge the fine work of Mary Hannan who is the national coordinator of this national roll-out of 'kiosks' to provide facilities and resources that will bring more Australian Seniors into the digital age.

As we move into what I think will be a new era for Adult Learning Australia we have absolutely no alternative but to continue to build our membership base. Whilst enhanced services to members is an obvious strategy, so too is the need for ALA to re-establish strong and meaningful links with state and territory ACE networks. This need has already been established by the current Board and must now be implemented during the next twelve months.

I believe we should also strengthen our collaborative arrangements and partnerships with other like-minded organisations, with some form of shared membership that could enhance our membership numbers. This approach should include potential key partners from the corporate world, and perhaps even productive relationships with known benevolent organisations.

Again, as Board members know, we have representation on the Community Training Roundtable, chaired by ACPET CEO, Jim Barron. I think it is time for ALA to take a lead and chair a national roundtable of peak ACE bodies in order to create an even stronger and independent voice to government. This initiative has also been on our agenda, and perhaps 2010 is an ideal time to establish a lead role.

It is an ideal time because 2010 is our 50th year of existence as AAACE and ALA. That is cause for celebration, but in the process a real window of opportunity for ALA to reinforce the importance and value of lifelong learning. It is an opportunity for ALA to become a strong national voice, through various media strategies, to take the high ground and establish a much stronger national profile. It is an opportunity that cannot be missed – one that can provide a springboard for increased advocacy at the senior decision-making and political levels.

This celebration will culminate in the 2010 national conference to be held in the state which hosted the first conference – South Australia. I am delighted that the SA Network and the ALA national office have started to organise what will be a significant event on our calendar, and I invite everyone involved in ACE across this vast nation to consider coming to Adelaide for the three days – Thursday 11th through to Sunday 14th November – and to make a commitment now to participate in this particular event.

(On a personal note, I hope that the fact AAACE was actually formed in Hobart, Tasmania, in 1959, can be recognised during this year of celebration.)

I expect delegates from NIACE, ACE Aotearoa and NILE (Korea) to participate in this Golden Jubilee ALA national Conference, and accordingly I have advised them of the dates. Whilst our priorities must be around financial viability and membership, we should not focus inward all the time. As you know, ALA has just signed a new MOU with the National Institute for Lifelong Education of Korea, and our colleagues in the land of the Long White Cloud are considering a similar MOU that has been forwarded to the Chair of ACE Aotearoa.

Finally, may I extend a personal thankyou to the Directors of the current Board. It is a challenging, sometimes onerous, role which takes time from work commitments and family life, and I acknowledge that. However, it is the idealism, the creative energy and the commitment of our Board of Directors which, in close collaboration with our CEO and national office staff, which will continue to drive Adult Learning Australia as the national peak body for community education and training providers.

I look forward to being part of the deliberations of the new Board and working closely with our new CEO. I simply say thank you for the opportunity to be your national president for the past three years, and I wish you a safe, fun, yet reflective Xmas period with family, friends and loved ones.

Greg Peart
President
Adult Learning Australia

CEO Report to Members at the 2008-9 Adult Learning Australia Inc AGM held in Melbourne on Saturday 28th November 2009.

My return to Adult Learning Australia during this reporting period commenced on the 29th December 2008, initially as a consultant, but later in the role of Acting CEO, mainly to complete two outstanding reports for the Department of Education Employment and Workplace Relations (DEEWR) on the activities of ALA over the 2008 calendar year.

The focus of this report to members, covers for the most part, the period January 1 through to June 30 2009, which is the last half of ALA's Financial Year.

As the main funding body DEEWR required a report on ALA's core funding activities and a report on Adult Learners' Week activities for the 2008 period.

Both these reports were prepared and submitted to DEEWR by Adult Learning Australia several months after the due date required in both contracts along with financial acquittals.

For various reasons, ALA had not undertaken any tangible research activity throughout the year. Research was a component of the funding contract, and as a consequence, despite pleas to DEEWR by ALA to rectify this situation in early 2009 and work with NCVET on a joint research project, ALA was asked to return all of the unspent research monies from 2008.

Earlier ALA had also been advised by DEEWR that no further Adult Learners' Week funding would be forthcoming. Funding for this activity, which ALA had managed for almost a decade, would normally have formed part of the core funds received by ALA in instalments throughout the calendar year. This was said to no longer be forthcoming, following assurances that a decision had been made not to fund ALW as a project activity in 2009 and beyond.

However, in April this decision was reversed and ALA, along with many others in the country, was invited to submit a proposal to deliver ALW 2009 as part of a competitive national tender process.

ALA was successful from what we understand to have been over 100 applications.

Hence the ALW 2009 program had to be delivered in 6, rather than 12, months as in the past. Thus when notified of our success in mid-June, most of the organisation's resources became focused on strategic planning and implementation for this project.

Because the series of national provider capacity building events proposed by ALA for ALW were undertaken in the second half of the calendar year, they are not being reported on in detail here. Suffice to say they have been successful and an independent evaluation process is presently underway.

Consistent with the deliverables ALA committed to in our CORE Contract for 2009 with DEEWR, we have undertaken in the period being reported on here, the following activities:

- *Provide a national leadership role for ACE and community education and training providers by assisting Providers nationally to build capacity by raising awareness through the presentation of a series of information workshops in conjunction with either state peak-bodies or the Departments of Education and Training.*

This was achieved partly through a series of national face to face workshops and presentations delivered by ALA for DEEWR to raise awareness by the ACE sector of the availability of the \$100m Infrastructure Funding (ICET).

In most locations, ALA worked on this in conjunction with either the state Department of Education and Training or the ACE peak body in that state and, in some instances, both of these entities.

ALA also organised a national Elluminate link-up with Dr John Holms a Principal Partner from DEGW, an international educational design company to provide an appraisal of the ICET Guidelines and provide advise to those providers actively pursuing building projects.

- *Deliverer needs based member services.*

Because the ACE/CET SECTOR is so diverse nationally, even between jurisdictions, it is always a challenge for ALA to identify particular sets of needs. However, we do know that information about government policy and relevant research are two key areas that are recurring needs. To meet these needs, ALA continued to maintain a current issues and information blog throughout the year as well as covering other research and events in state and territory jurisdictions. International coverage of relevant information was also provided for members.

- *Develop and enhance policies and procedures that are current and relevant to members.*

The most important initiative taken by ALA in this regard was to couple delivery of the Infrastructure awareness workshops with an overview of the policies and strategies underpinning the 2008 Ministerial Declaration On Adult Community Education.

By providing an overview of the Ministerial Declaration's Purpose, Principles, Context, Goals and Strategies to over 300 individuals and organisations ALA has been able to meet an important and relevant policy deliverable.

- *Represent the community education and training sector at relevant forums.*

ALA represented the ACE sector at a number of fora. These ranged from attendance at conferences such as AVETRA and ACEVic, ACE Roundtable meetings, meetings with politicians at Parliament House as well as attendance and sector representation on two national E-Learning committees.

ALA was also represented on the Standards Australia 'Non-Formal' Standards Committee. This group are exploring the development of standards for providers of non-formal learning.

ALA also presented a paper to The Friends of Auburn Library in Sydney on Informal Learning as well as presenting a paper to the Liquid Learning Conference in Canberra, in June, about ACE Learning.

- *Facilitate communication between community education and training providers and VET stakeholders.*

ALA has throughout this reporting period and beyond, presented a series of Elluminate sessions through our V-Room for CET, ACE and VET stakeholders.

These sessions have been wide ranging in their content and included sessions ranging from e-learning 'how to' through to Copy Right requirements by CAL.

ALA staff have also presented information on matters pertaining to the sector through PBAFM. In particular the CEO was interviewed about the Ministerial Declaration. There was also an interview with 666 Local ABC Radio in Canberra.

ALA has continued to produce the Australian Journal of Adult Learning (AJAL) and this year, have moved the production of Quest, online. Members also receive regular email updates.

- *Facilitate capacity building workshops for community education and training providers to strengthen their ability to improve outcomes, especially through enhanced pathways to accredited education and training programs or productive employment.*

ALA initiated through the course of the year, two pieces of research to support this deliverable.

For the first of these, we engaged Dr Kaye Bowman to review Australian and International research that provided an evidence base for providers choosing to implement the Ministerial Declaration on ACE. This was produced as a work book and has been distributed nationally at capacity building workshops.

The second piece of work to support this deliverable is survey research. It examines how the sector enhances pathways. Called 'Enhancing Pathways for ACE Learners: Building the capacity of ACE providers to offer non-accredited courses and VET modules with pathways into VET programs', this is currently being concluded and the results will be released shortly.

- *Collaborate and consult with relevant stakeholders including governments, industry and the research sector.*

ALA has continued to have a presence on three national e-learning groups:

- the E-learning National Coordinators' Group
- the E-Standards Experts' Group and
- the E-portfolio Reference Group.

These three groups report directly to the Australian Flexible Learning Framework.

Prior to and during Adult Learners' Week, ALA also consulted and collaborated with government, industry and the research sector.

Engagement consisted of liaison with business by:

- writing for magazines such as Corporate Wellness;
- NEC through Broad Band for Seniors;
- Dynamic Learning Online Pty Ltd in the development of software for seniors
- Education.au
- Edna and
- E-Works

And, through the Infrastructure presentations and ALW with groups including:

- McDonalds WA
- 98.9fm Indigenous Radio Brisbane
- National Indigenous Times
- Koori Mail
- Group Training Companies
- the Mining Industry Skills Centre
- the Queensland Chamber of Commerce and Industry and
- the Pharmaceutical Society Of Australia and
- a vast number of RTOs – both For-Profit and NFPs.

The community sector through:

- Associations Forum
- U3A on Line
- the Australian Seniors Computer Club Association
- Libraries through representation at their Libraries Summit, other links through the Australian Library

- and Information Association (ALIA) and the Northern Territory State Library and local Knowledge Centres
- ACOSS
- business and education through the ACE Awards presentations in the ACT
- the Rhonda Galbally presentation on the report 'Shut Out: The Experience of People with Disabilities and their Families in Australia'
- meetings on several occasions with representatives of the Career Industry Council of Australia (CICA)
- the Local Community Services Association (LCSA),
- Jobs Australia and
- TAFE Directors Australia to discuss collaborative work on pathways, recognition and access into TAFE for students from community training providers.

Finally ALA collaborated and consulted with government through events such as:

- the Victorian Training Awards
- the Rural Education Forum at Parliament House and ALW co-ordination with DET in various jurisdictions.

We also established links with the Advisor for the Global Carbon Capture & Storage Institute (Dept of Resources, Energy and Tourism) to explore some of this new Department's learning and communication needs; FaHCSIA re Broadband for Seniors and extended links with the Australian Flexible Learning Framework.

One new link has emerged through Video Education Australiasia (VEA) an international company that has asked us to consult on the development of videos related to the adult learning sector. These will be produced and made available both nationally and internationally.

- *Liaise with DEEWR and other stakeholders about issues linked to adult learning, ACE and community education training providers.*

Over the course of the year liaison has occurred with:

- DEEWR and other stakeholders on an 'as needed basis'. This has included meetings regarding the Infrastructure roll-out as well as meetings related to the ALW project and other ALA/DEEWR matters
- Neighbourhood Houses and Community Colleges
- Retirement Villages
- The Australian College of Educators and
- ACTACOSS

- *Generate and apply practical research to enhance the practice of adult learning especially by CET providers.*

The generation of new research has been covered earlier in this report; while in relation to the application of research, ALA has worked closely with NCVET and disseminates all of the VET and other research they generate.

We have met with Francesca Beddie Head of NCVET Research several times this year to discuss collaborative research initiatives. These have not advanced due to a lack of research funding in the 2009 DEEWR funds allocation, coupled with the need for ALA to return unexpended research monies to DEEWR from 2008.

ALA has offered the NCVET Research Management and Marketing Services Teams' access to training and use of the ALA Elluminate resource.

In addition to our DEEWR obligations, Adult Learning Australia has played a key role in coordinating the implementation roll-out of the Broad Band for Seniors Project. This project is an ALA partnership with NEC, U3A Online and Australian Seniors Computer Society. The project itself is funded by the Dept of Families Housing Community Services and Indigenous Affairs.

Also in December of 2008 and into early January 2009, ALA conducted in conjunction with ACT Department of Health, training for the Falls Prevention Program after adapting, developing and printing "Bodies matter: Falls Prevention Kit" and a life long learning event in November with the ACT Library System.

The Falls Prevention Program involved promoting, training, and evaluation meetings and follow-up evaluations. ALA worked with partner community organisations - Belconnen Community Centre, Arthritis Australia, CarersACT and Communities@Work - to run learning circles based around the publication mentioned above.

The Falls Prevention Program continued to be coordinated by ALA through December 2008 until June 2009. This was ACT Health promotions funding. The final evaluation of this project was highly supportive of a learning circle approach in addressing health issues.

An ongoing and strong relationship with the ACT Department of Education and Training can be seen in the fact that we have been invited to present sessions run by them and sit on their ACE Grants Committee.

To sum up ALA has had another very busy year and provided DEEWR and other funding bodies with great value for money.

To achieve all this I need to make a special thank-you to the staff, all of whom in their various ways have made these achievements possible.

Thank You

Ron Anderson
Acting Executive Officer.

ADULT LEARNING AUSTRALIA INC

STATEMENT BY THE BOARD

BOARD

The following persons are members of the Board at the date of this report or were members during the financial year:

Greg Peart	<i>President</i>
Deirdre Baker	<i>Vice-President</i>
Roger Morris	<i>Secretary</i>
Dorothy Lucardie	<i>Treasurer - Appointed 1 May 2009</i>
Vaughan Croucher	<i>Resigned</i>
Allan Arnott	
Mark Brophy	<i>Appointed 29 Aug 2008</i>
Margaret King	<i>Resigned June 2009</i>
Vanessa Little	<i>Resigned 1 May 2009</i>
Garry Traynor	<i>Resigned 1 May 2009</i>
Barry Golding	<i>Appointed 1 May 2009</i>

PRINCIPAL ACTIVITIES

The principal activities during the financial year were promotion and development of adult learning in Australia. These are outlined in the Association's Annual report

There were no significant changes in the nature of the Association's principal activities during the financial year.

RESULT FOR THE YEAR

The surplus of the Association for the year ended 30 June 2009 was \$10,161.

FINANCIAL REPORT

In the opinion of the Board, the accompanying general purpose financial report is drawn up so as to give a true and fair view of the Association's financial position as at 30 June 2009 and of its financial performance for the year ended on that date.

In the opinion of the Board there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

.....
Name: GREG PEART Member of Board

.....
Name: DOROTHY LUCARDIE Member of Board

this 6th day of November 2009

HOUSTON & HANNA
CHARTERED ACCOUNTANT

K D Hanna FCA (Principal)

Telephone: (02) 6249 8515
(02) 6248 8175
Facsimile: (02) 6249 6792

Suite 15, George Turner Offices
11 McKay Gardens, Turner ACT
GPO Box 810, Canberra ACT 2601

email: kim@khanna.com.au

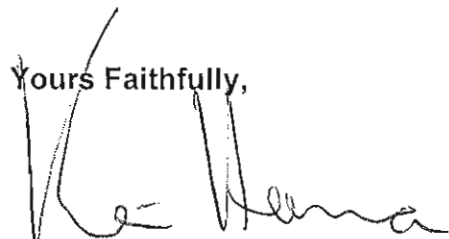
Wednesday, November 11, 2009

The Executive Officer
Adult Learning Australia Inc.
GPO BOX 260
CANBERRA ACT 2601

RE: APPOINTMENT OF AUDITOR

Please be advised that I will be willing to conduct the audit of the Association's financial accounts for the year ended 30th June, 2010, if my nomination is passed by the members at the AGM.

Yours Faithfully,



Kim D. Hanna
Registered Company Auditor

HOUSTON & HANNA
CHARTERED ACCOUNTANT

K D Hanna FCA (Principal)

Telephone: (02) 6249 8515

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GPO Box 810, Canberra ACT 2601

Suite 15, George Turner Offices

11 McKay Gardens, Turner ACT

email: kim@khanna.com.au

Wednesday, November 11, 2009

The Treasurer
Adult Learning Australia
GPO BOX 826
CIT Southside Campus
CANBERRA ACT 2601

Dear Treasurer,

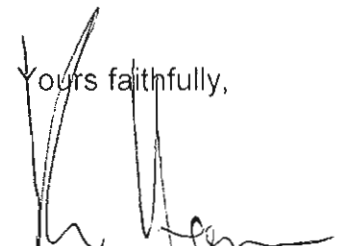
Please find enclosed two bound copies and one unbound copy of the Association's financial accounts for the year ended 30th June, 2009 for your information and records.

We also enclose a partly completed Association annual return for completion and lodgment with the ACT Registrar. Please note that the return should be signed by two members of the committee and public officer after the financial accounts have been tabled before the members at the Annual General Meeting. After signing, please return the annual return to this office along with a \$33.00 cheque made payable to the ACT Registrar General to cover lodgment fees.

As the engagement is now complete for the year 2009, we also enclose an account for services rendered and thank you for your instructions.

If you have any queries please do not hesitate to contact the writer.

Yours faithfully,



K D Hanna

ADULT LEARNING AUSTRALIA INC
ABN 78 533 061 672

GENERAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2009

ADULT LEARNING AUSTRALIA INC
INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	Note	2009 \$	2008 \$
Revenue	2	1,058,602	1,353,118
Project expenses	15	(464,920)	(784,214)
Employee benefits expense		(254,485)	(248,171)
Depreciation expense		(436)	(2,758)
Other expenses	3	(328,600)	(442,366)
Net surplus/(deficit) from ordinary activities		<u>10,161</u>	<u>(124,391)</u>

The accompanying notes form part of this financial report

ADULT LEARNING AUSTRALIA INC

BALANCE SHEET
AS AT 30 JUNE 2009

	Note	2009 \$	2008 \$
CURRENT ASSETS			
Cash and cash equivalents	5	425,495	331,247
Trade and other receivables	6	303,440	116,268
Held to maturity Assets	7	53,206	48,551
Prepayments	8	11,507	6,338
Accrued income	8	4,507	3,404
TOTAL CURRENT ASSETS		<u>798,155</u>	<u>505,808</u>
NON-CURRENT ASSETS			
Shares in listed company	7	824	817
Property, plant and equipment	9	251	687
TOTAL NON-CURRENT ASSETS		<u>1,075</u>	<u>1,504</u>
TOTAL ASSETS		<u>799,230</u>	<u>507,312</u>
CURRENT LIABILITIES			
Trade and other payables	10	68,756	154,402
Unexpended grants	11	<u>537,131</u>	<u>169,735</u>
TOTAL CURRENT LIABILITIES		<u>605,887</u>	<u>324,137</u>
TOTAL LIABILITIES		<u>605,887</u>	<u>324,137</u>
NET ASSETS		<u>193,343</u>	<u>183,175</u>
EQUITY			
Retained earnings		192,936	182,775
Reserve	12	<u>407</u>	<u>400</u>
		<u>193,343</u>	<u>183,175</u>

The accompanying notes form part of this financial report

ADULT LEARNING AUSTRALIA INC

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

	Note	Retained Earnings \$	Financial Assets Reserve \$	Total \$
Balance at 1 July 2007		307,166	917.00	308,083
Revaluation decrement on shares	12	-	(517)	(517)
Loss attributable to members of the Association		(124,391)	-	(124,391)
Balance at 30 June 2008		<u>182,775</u>	<u>400</u>	<u>183,175</u>
Revaluation increment on shares	12	-	7	7
Surplus attributable to members of the Surplus attributable to members of the Association		10,161	-	10,161
Balance at 30 June 2009		<u><u>192,936</u></u>	<u><u>407</u></u>	<u><u>193,343</u></u>

The accompanying notes form part of this financial report

ADULT LEARNING AUSTRALIA INC

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2009

	Note	2009 \$	2008 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from operations		1,288,909	1,107,217
Interest received		22,064	23,244
Dividends received		30	69
Payments to suppliers and employees		<u>(1,212,100)</u>	<u>(1,503,248)</u>
NET CASH FLOWS PROVIDED BY/(USED IN) OPERATING ACTIVITIES	13	<u>98,903</u>	<u>(372,718)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Increase in deposits held to maturity		(4,655)	-
Purchase of office equipment		<u>-</u>	<u>(481)</u>
NET CASH FLOWS (USED IN) INVESTING ACTIVITIES		<u>(4,655)</u>	<u>(481)</u>
NET INCREASE/(DECREASE) IN CASH HELD		94,248	(373,199)
Cash at the beginning of the financial year		<u>331,247</u>	<u>704,446</u>
CASH AT THE END OF THE YEAR	5	<u>425,495</u>	<u>331,247</u>

The accompanying notes form part of this financial report

ADULT LEARNING AUSTRALIA INC

NOTE INDEX

Note 1	Statement of Significant Accounting Policies
Note 2	Revenue
Note 3	Other Expenses from Ordinary Activities
Note 4	Key Management Personnel
Note 5	Cash and Cash Equivalents
Note 6	Receivables
Note 7	Other Financial Assets Prepayments Accrued Income
Note 8	Other Current Assets
Note 9	Property, Plant and Equipment
Note 10	Payables
Note 11	Unexpended Grants
Note 12	Reserves
Note 13	Notes to the Statement of Cash Flows
Note 14	Financial Risk Management
Note 15	Projects
Note 16	Operating Lease Commitments
Note 17	Association Details
Note 18	Subsequent Events
Note 19	New Accounting Standards and Interpretations Issued but Not Yet Applied

ADULT LEARNING AUSTRALIA INC

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

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report covers Adult Learning Australia Inc. as an individual entity. Adult Learning Australia Inc. is an association incorporated in the Australian Capital Territory under the *Associations Incorporation Act 1991*.

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations and the *Associations Incorporation Act 1991*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Taxation

Income Tax

The Association is exempt from income tax under Section 50-5 of the *Income Tax Assessment Act 1997*.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an expense. Receivables and payables, other than accrued expenses, in the balance sheet are shown inclusive of GST.

Cash flows are presented in the Statement of Cash Flows on a gross basis except for the GST component of investing and financing activities which are disclosed as operating cash flows.

Plant and Equipment

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

The carrying amount of property, plant and equipment is reviewed annually by the Association 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 employment and subsequent disposal of the assets.

ADULT LEARNING AUSTRALIA INC

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

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Plant and Equipment (continued)

Cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the assets carrying amount or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Association and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets, including is depreciated on a straight line basis over their useful lives to the Association commencing from the time the asset is held ready for use.

The depreciation rates used are as follows:

Office equipment and furniture 33.3%

The residual values and useful lives of the assets are reviewed and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement.

Operating Leases

The Association has entered into operating leases under which the lessor effectively retains substantially all the risks and benefits of ownership. Operating lease payments are charged as expenses in the periods in which they are incurred.

Financial Instruments

Initial Recognition and Measurement

Financial instruments are initially measured at cost, including transactions costs, on the date contracted. Subsequent to initial recognition these instruments are measured as set out below:

Classification and Subsequent Measurement

Current receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are stated at the amount due and are normally settled within 30 days. The collectibility of debts is assessed and specific allowance is made for impairment of receivables.

ADULT LEARNING AUSTRALIA INC

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

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Financial Instruments (continued)

Classification and Subsequent Measurement (continued)

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and it is the Association's intention to hold these investments to maturity. They are measured at cost.

Available-for-sale financial assets are investments in the equity of other entities. They are recognised at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to the financial assets reserve.

Financial liabilities

Non-derivative financial liabilities are recognised at original debt less any payments of principal.

Fair value of Financial Instruments

Fair value is determined based on current bid prices for all quoted investments.

Impairment of Financial Instruments

When the realisable value of a financial instrument is less than the book (or carrying) value, the instrument is said to be impaired. At the end of each reporting period the Association assesses whether there is objective evidence that a financial instrument has been impaired. If impairment is found, an adjustment is made to reduce the carrying amount in the books to the recoverable amount. The amount of the adjustment is charged as an expense in the income statement.

Available-for-sale financial assets: Where there is objective evidence of prolonged impairment to available for sale assets the impairment loss is expensed in the income statements. Impairment would be considered to exist if during the prolonged period the average price was 20% or more less than the acquisition cost and the reduced value was still relevant at the balance sheet date.

Impairment of Assets

At each reporting date the Association 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 assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the income statement.

ADULT LEARNING AUSTRALIA INC

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

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, including related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

Revenue and Other Income

Subscriptions from members are recognised in the year in which invoices are raised or cash is received.

Operating grants which contribute towards operating revenue are brought to account proportionately over the period of the contract. The proportion of the grant which relates to a period before or after the current reporting period is brought to account in the relevant reporting period.

Grant income from projects is recognised only to the extent of expenditure on the project. Grant monies that have been received or are receivable but not expended at the end of the reporting period, are carried forward as unexpended grants.

Interest is recognised on an accruals basis and dividends are recognised when the right to receive them has been established.

All revenue is stated net of the amount of goods and services tax.

Comparative Figures

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

SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

In the process of applying the accounting policies the following are the judgements and estimates made by the Association which have had the most impact on the financial statements.

Employee entitlements:

Significant judgements have been applied in estimating the liability for employee benefits. The estimated liability for employee benefits requires a consideration of the future wage and salary levels, experience of employee departures and periods of service. The estimate also includes an assessment of the probability that employees will meet the minimum service period required for long service leave and that on-costs will become payable.

ADULT LEARNING AUSTRALIA INC

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

	2009 \$	2008 \$
2. REVENUE		
Operating activities		
Grants received		
Operating grant	384,740	168,288
Project grants (Note 15)	464,920	784,214
Membership subscriptions	14,491	28,696
Project fees and expenses recovered	149,954	335,056
Publication sales	13,668	13,010
Royalties	9,791	2,804
Learning Circle Kit sales	48	237
Non-operating activities		
Profit on sale of office equipment	-	1,100
Interest received	20,960	19,644
Dividends received	30	69
	<u>1,058,602</u>	<u>1,353,118</u>

From 2008 the contract period for **operating grants** is calendar years whereas the Association reports on a financial year basis. In the Association's books half of the grant is recorded in one financial year and the other half in the next financial year. The 2008 income shown above, is half of the contract income for the 2008 calendar year. There was no equivalent income for the first half of the 2008 financial year. The income for 2009 shown above is made up of the second half of the 2008 calendar year grant and half of the income from the 2009 calendar year grant. The grant income is received in instalments. If any part of the income for the second half of the calendar year has been received at 30 June it is carried forward and recorded in the balance sheet as unexpended grants (refer Note 11).

Project grants are disclosed in detail at Notes 15.

The **membership subscription** period changed in 2008/09 to a standard year ending September. Previously each member's subscription period was a year from the date they originally became a member.

It is probable that the reduction in membership fees is the result of the change in the period end rather than a reduction in the number of members. The membership subscription system is being reviewed.

3. OTHER EXPENSES FROM ORDINARY ACTIVITIES

Administration expenses	239,675	322,894
Publication expenses	48,599	59,920
Remuneration paid to the auditor for audit or review of the financial report	1,900	1,600
Rental expense on operating leases		
Minimum lease rentals	38,426	57,923
	<u>328,600</u>	<u>442,337</u>

Publication expenses have decreased as the cost and number of copies of the journal and Quest has been reduced. Office rent reduced from a change of premises made in June-July 2008.

4. KEY MANAGEMENT PERSONNEL

(a) Details of key management personnel:

(i) Non-Executive Board members

The names of persons who were non-executive members of the Board who held office during the financial year are:

Greg Peart	Allan Arnett
Deidre Baker	Mark Brophy
Roger Morris	Margaret King
Vaughan Croucher	Vanessa Little
Dorothy Lucardie	Garry Traynor

(ii) Executives

Ron Anderson - appointed 29 December 2008 as acting CEO
Peter Peterson, CEO for period 19 July to 11 November 2008.

(b) Total compensation paid to key management personnel:

Short term employee benefits	<u>124,150</u>	<u>98,153</u>
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ADULT LEARNING AUSTRALIA INC

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

	2009	2008
	\$	\$
5. CASH AND CASH EQUIVALENTS		
Cash on hand	71	299
Cash at bank	32,621	54,957
Deposits at call	392,803	275,991
	<u>425,495</u>	<u>331,247</u>

The increase in cash assets is from the increase in unexpended grants held at 30 June 2009 compared with the amount held at the end of the previous financial year (refer Note 11).

6. RECEIVABLES

Current:

Trade receivables	303,440	117,834
Less allowance for impairment	-	(1,566)
	<u>303,440</u>	<u>116,268</u>

The increase in receivables is because the amount due from Department of Education, Employment and Workplace Relations at 30 June 2009 included \$250,00 for Adult Learners Week 2009.

7. OTHER FINANCIAL ASSETS

Current:

Held to maturity assets:

Term deposits maturing later than 3 months after the end of the financial year	<u>53,206</u>	<u>48,551</u>
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Non-current:

Available for sale financial assets

 Listed investment, at fair value:

Shares in Insurance Australia Group	<u>824</u>	<u>817</u>
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 The fair value of listed investments is the published bid-price current at reporting date.

 The original cost of the shares was \$417.

8. OTHER CURRENT ASSETS

Prepayments	11,507	6,338
Accrued Income	4,507	3,404
	<u>16,014</u>	<u>9,742</u>

Prepayments have increased as the subscription for 2009/10 for Eluminate was paid prior to 30 June 2009. A similar prepayment did not occur at 30 June 2008.

9. PROPERTY PLANT AND EQUIPMENT

Office equipment and furniture - at cost	15,884	15,884
Less: Accumulated depreciation	(15,633)	(15,197)
TOTAL	<u>251</u>	<u>687</u>

	Total	Office equipment and furniture
	\$	\$
<i>Movements in Carrying Amounts:</i>		
Balance at 1 July 2007	2,964	2,964
Additions	481	481
Depreciation expense	(2,758)	(2,758)
Carrying amount at 30 June 2008	<u>687</u>	<u>687</u>
Depreciation expense	(436)	(436)
Carrying amount at 30 June 2009	<u>251</u>	<u>251</u>

ADULT LEARNING AUSTRALIA INC
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	\$	\$
10. PAYABLES		
Trade and other creditors and accruals	15,151	57,178
GST liabilities	23,885	55,759
Employee benefits - current	29,720	41,465
	<u>68,756</u>	<u>154,402</u>

Employee benefits is made up of unused annual leave and accruals of salaries, superannuation and PAYG.

11. UNEXPENDED GRANTS

Operating grant	225,817	-
Project grants (Note 15)	311,314	169,735
	<u>537,131</u>	<u>169,735</u>

The operating grant for the second half of the 2008 calendar year was not received until the 08/09 year and \$16,155 of the operating grant for the second half of the 2009 year had not been received at 30 June 2009.

12. RESERVES

Financial assets revaluation reserve	<u>407</u>	<u>400</u>
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Nature and purpose of reserve:

This reserve records the difference between the cost and fair (market) value of the shares held (Note 7).

13. NOTES TO THE STATEMENT OF CASH FLOWS

Reconciliation of net cash from operating activities to operating surplus/(deficit):

Operating surplus/(deficit)	10,161	(124,391)
Non-cash flows in operating result:		
Depreciation	436	2,758

Movements, arising from operating activities, in assets and liabilities:

Receivables	(187,172)	(116,176)
Prepayment	(5,169)	2,070
Accrued income	(1,103)	149,600
Payables	(73,901)	59,969
Employee benefits	(11,745)	26,391
Subscriptions in advance	-	(5,792)
Unexpended grants	367,396	(367,147)
	<u>98,903</u>	<u>(372,718)</u>

Depreciation has reduced as many assets are now fully depreciated.

ADULT LEARNING AUSTRALIA INC

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

14. FINANCIAL RISK MANAGEMENT

Details of the significant policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, with respect to each class of financial asset and financial liability are disclosed in Note 1 to the financial statements.

The Association's financial instruments consist mainly of deposits with banks, fixed-term investments and accounts receivable and payable.

Financial Risk Exposures and Management

The main risks the Association is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Interest Rate Risk:

Interest rate risk on financial assets is managed by the Association selecting interest earning investments in financial institutions having at least an 'A' rating. Exposure to interest on financial liabilities is limited to credit card facilities used for purchase of travel and other regular expenses.

There are no unrecognised financial assets or financial liabilities.

Sensitivity Analysis

A sensitivity analysis has not been undertaken for the Association's interest rate risk as it has been determined that the possible impact on income and expenses or total equity from fluctuations in interest rates is immaterial.

Credit Risk:

The Association monitors credit risk by actively assessing the rating quality and liquidity of counter parties:

- all potential customers are rated for credit worthiness taking into account their size, market position and financial standing.

The Association has a material credit risk exposure from the amount owed by Department of Education, Employment and Workplace Relations. However as it is a government department, the risk is considered minimal.

Liquidity Risk:

The Association manages liquidity risk by monitoring budgets and forecast cash flows and ensuring that adequate funds are available.

ADULT LEARNING AUSTRALIA INC

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

14. FINANCIAL INSTRUMENTS (Continued)

Fair Value of Financial Assets and Liabilities

The carrying values of financial assets and liabilities at balance date, as set out below, are a reasonable approximation of fair value.

	Carrying Amount 2009 \$	Carrying Amount 2008 \$
Financial Assets		
Cash and cash equivalents	425,495	331,247
Receivables	303,440	116,268
Held-to-maturity financial assets	53,206	48,551
Shareholding	824	817
Total Financial Assets	<u>782,965</u>	<u>496,883</u>
Financial Liabilities		
Payables	68,756	154,402
Unexpended grants	537,131	169,735
Total Financial Liabilities	<u>605,887</u>	<u>324,137</u>

The following tables set out the Association's maturity analysis for financial assets and liabilities as well as the exposure to interest rates, including the weighted average interest rates by maturity period as at 30 June 2009 and 30 June 2008. All amounts appearing in the following maturity analysis are shown on undiscounted cash flow basis.

	Weighted average effective interest rate	Variable interest rate	Non- Interest bearing	Fixed interest maturing within 1 year	Fixed interest maturing 1 - 5 years	Total carrying amount
2009	%	\$	\$	\$	\$	\$
Financial Assets						
Cash and cash equivalents	2.08	424,374	1,121	-	-	425,495
Held-to-maturity financial assets	3.95	-	-	9,500	43,706	53,206
Receivables		-	303,440	-	-	303,440
Shareholding		-	-	-	-	-
Total financial assets		<u>424,374</u>	<u>304,561</u>	<u>9,500</u>	<u>43,706</u>	<u>782,141</u>
Financial liabilities						
Payables		-	68,756	-	-	68,756
Unexpended grants		-	537,131	-	-	537,131
Total financial liabilities		<u>-</u>	<u>605,887</u>	<u>-</u>	<u>-</u>	<u>605,887</u>

ADULT LEARNING AUSTRALIA INC

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

14. FINANCIAL INSTRUMENTS (Continued)

	Weighted average effective interest rate	Variable Interest rate	Non- Interest bearing	Fixed interest maturing within 1 year	Total carrying amount
2008	%	\$	\$	\$	\$
Financial Assets					
Cash and cash equivalents	5.55	330,898	349	-	331,247
Held-to-maturity financial assets	5.64	-	-	48,551	48,551
Receivables		-	116,268	-	116,268
Shareholding		-	817	-	817
		-	-	-	-
Total financial assets		330,898	117,434	48,551	496,883
Financial liabilities					
Payables		-	154,402	-	154,402
Unexpended grants		-	169,735	-	169,735
Total financial liabilities		-	324,137	-	324,137

15. PROJECTS FOR THE YEAR ENDED 30 JUNE 2009

	Unexpended Grants at beginning of the year	Income	Expenditure	Unexpended Grants at end of the year
	\$	\$	\$	\$
Research 2007/08	73,282	76,849	150,131	-
Adult Learning Week 2009	-	227,273	17,224	210,049
Adult Learning Week 2008	61,014	116,438	177,452	-
Falls Prevention Learning Circle	-	36,086	33,780	2,306
Flag 2009	-	33,600	4,069	29,531
Flag 2008	34,144	-	34,144	-
Learning Ambassador Awards	1,295	-	1,295	-
ACE E-Learning Project	-	15,000	15,000	-
Seniors Broadband Project	-	101,253	31,825	69,428
	169,735	606,499	464,920	311,314

ADULT LEARNING AUSTRALIA INC

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

16. OPERATING LEASE COMMITMENTS	2009	2008
	\$	\$
(i) Rent of office space		
Due and payable:		
- not later than 1 year	26,120	25,855
- later than 1 year but not later than 5 years	26,120	51,710
	<u>52,240</u>	<u>77,565</u>
(ii) Rent of computer equipment		
Due and payable:		
- not later than 1 year	3,561	5,750
- later than 1 year but not later than 5 years	-	3,561
	<u>3,561</u>	<u>9,311</u>
(iii) Rent of photocopier		
Due and payable:		
- not later than 1 year	3,541	3,541
- later than 1 year but not later than 5 years	8,557	12,098
	<u>12,098</u>	<u>15,639</u>
(iv) Telephone system		
Due and payable:		
- not later than 1 year	3,066	3,066
- later than 1 year but not later than 5 years	8,942	12,008
	<u>12,008</u>	<u>15,074</u>
Total Operating Lease Commitments	<u>79,907</u>	<u>117,589</u>

All commitments are shown net of goods and services tax.

17. ASSOCIATION DETAILS

The principal place of business of the Association is:

E Block, CIT Southside Campus
Ainsworth Street
PHILLIP ACT

18. SUBSEQUENT EVENTS

This financial report was authorised for issue on the date of signing of the attached Statement by the Board.

ADULT LEARNING AUSTRALIA INC

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

19. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED BUT NOT APPLIED

At the date of authorisation of the financial report the Accounting Standards and Interpretations listed below were issued by the Australian Accounting Standards Board but do not apply to the current reporting period.

Initial application of the following Standards in future reports will not affect any of the amounts recognised in the financial report but will change the disclosures presently made.

Standard	Summary	Effective for annual reporting periods beginning on or after:	Expected to be initially applied in the financial year ending:
AASB 101 <i>Presentation of Financial Statements</i>	Revision of existing Standard	1 January 2009	30 June 2010
AASB 2007-8 <i>Amendments to Australian Accounting Standards arising from AASB 101</i>	Amends the majority of Standards and Interpretations as a result of revisions to AASB 101	1 January 2009	30 June 2010

HOUSTON & HANNA
CHARTERED ACCOUNTANT

K D Hanna FCA (Principal)

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Facsimile: (02) 6249 6792

GPO Box 810, Canberra ACT 2601
Suite 15, George Turner Offices
11 McKay Gardens, Turner ACT

email: kim@khanna.com.au

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
ADULT LEARNING AUSTRALIA INCORPORATED
FOR THE YEAR ENDED 30TH JUNE, 2009**

Scope.

I have audited the attached financial statements of Adult Learning Australia Incorporated (The Association) for the year ended 30th June 2009. The Committee is responsible for the preparation and presentation of the financial statements and the information they contain. I have conducted an independent audit of these financial statements in order to express an opinion on them to the members of the Association.

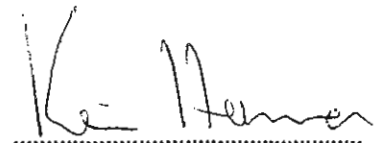
My audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material misstatement. The procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Australian Accounting Standards and Statutory requirements so as to present a view which is consistent with our understanding of the Association's position and the results of its operations.

The audit opinion in this report has been formed on the above basis.

Audit Opinion.

In my opinion,

- (a) The financial statements of the Association are properly drawn up:
- (i) So as to give a true and fair view of matters required by subsection 72(2) of the Associations Incorporation Act 1991 to be dealt with in the financial statements
 - (ii) in accordance with the provisions of the Associations Incorporation Act 1991; and
 - (iii) in accordance with proper accounting standards, being Applicable Accounting Standards;
- (b) I have obtained all the information and explanations required;
- (c) Proper accounting records have been kept by the Association as required by the Act; and
- (d) The audit was conducted in accordance with the rules of Adult Learning Australia Incorporated.



.....
Kim Hanna FCA
Registered Company Auditor

Date.....10/11/09.....



Adult Learning Australia Inc.
Annual General Meeting at Rendezvous, Melbourne

28 November 2009 at 12noon

Attendance List

Name	Organisation
Aue Ross	UEA of SA. Inc.
Sally Thyer	ALUFC
MANIC BROADBENT	ACA-
ROS CURRIE	LINK WA
GEORGE PAPALLO	
Allan Annett	CDU
Shuacrelie	ALA
Bavvy Gidding	ALA
Low Anderson	AHA.
Greg Peart	AHA.
Diedrie Baker	Qld Teleconference - Consultant
Tony Ryan	SA Teleconference - Consultant

Treasurer's Report

2009 Annual Report

I am pleased to report that the result for the financial year ending 30 June 2009 was a small surplus of \$10,161 that represents a significant turn around from the previous year loss of (\$124,391). Although revenue has fallen by approximately \$300,000 the surplus has been achieved through a significant reduction in expenses of approximately \$440,000. Staff and the Board are to be congratulated on their efforts to produce this result.

In terms of future issues I would like to draw the Board's attention to Item 16 Operating Lease commitments that show commitments into 2011 of approximately \$42,000.

Dorothy Lucardie
