



**AUSTRALIAN
RURAL LEADERSHIP
FOUNDATION**
ANNUAL REPORT 2021-22

RURAL-LEADERS.ORG.AU

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ABOUT ARLF

The Australian Rural Leadership Foundation (ARLF) develops leadership for the greater good of rural, regional, and remote Australia.

Thriving communities need leadership. Since 1992 we've believed this is critical to our nation's success. Today, 2,212 leaders have been through our programs.

We develop leadership so people act beyond themselves, work with others, and facilitate change in their organisations, sectors, and communities. We do this by offering participants a series of challenging hands-on learning experiences and the opportunity for reflection.

As an independent organisation our work relies on the support of government, business, philanthropy, and the community.

Our staff and ARLF Associates collaborate with other organisations to design and deliver our programs. Our team is based across the nation.

The ARLF is the only leadership development organisation that has a national footprint with a focus in rural, regional and remote Australia. From modest beginnings in the 90's, today we run leadership programs across the country including national programs and a suite of regional, place-based resilience programs.

VISION

Thriving rural, regional and remote communities

PURPOSE

To develop and exercise leadership for positive impact

APPROACH

We develop leadership so people act beyond themselves, work with others, and facilitate change. We do this by offering participants challenging, hands-on learning experiences and the opportunity for reflection.

VALUES

- Respect and engage with First Nations cultural knowledge
- Engage with a diversity of views, perceptions, backgrounds and cultures
- Challenge entrenched ideas
- Foster collaboration and act beyond self
- Pursue lifelong learning



THE YEAR IN REVIEW

It is with great pleasure that we jointly present the Australian Rural Leadership Foundation (ARLF) FY22 Annual Report as we plan to celebrate our 30th anniversary in September.

This past year has seen continuing disruption and uncertainty from the impacts of COVID-19 and major weather disasters. Despite this, the dedication and hard work of our team and continued support from partner organisations and benefactors, have ensured we finished the year in a strong position.

We have intended to increase our reach to deliver more programs, in more places, for more people through our regional, place-based leadership programs and initiatives, while also nurturing and innovating our four national programs. Our flagship national program, - the Australian Rural Leadership Program (ARLP) remains the longest and most in-depth experiential leadership development program in the country. It is also exciting to see that our regional, place-based programs are proving to be a pathway to the ARLP.

This result is more people exercising leadership for positive impact across rural, regional and remote Australia.

Our achievements for this year include:

- Continuing to evolve our leadership development program design, delivery and evaluation framework including the design of our first impact report to coincide with our 30th Anniversary which will be launched in October at the ARLF Gala Dinner in Canberra. This annual report edition is intended to be a companion document to the impact report which will be available on our website.
- Graduating 26 program cohorts across seven leadership programs including the Australian Agribusiness Leadership Program (AALP), Australian Rural Leadership Program (ARLP), Drought Resilience Leaders Program (DRLP), Introduction to Leadership, Milparanga Aboriginal and Torres Strait Islander Leadership Program and TRAIL Emerging Leaders Program.

- The addition of 507 leaders to our national alumni network who graduated from the following programs – ARLP (28 graduates), Short Course Leadership Programs (253 graduates) and Mentoring Programs (235 graduates). Note: some participants graduated from two programs.
- 14% of our graduates identified as First Nations Australians who were represented in both national and place-based programs including the Milparanga Aboriginal and Torres Strait Islander Leadership Programs (Emerging, Established and Mentoring Programs) the Drought Resilience Leaders Program (Development and Mentoring Programs), and the Australian Rural Leadership Program.
- Collaboration with our team of 17 Associates to engage with regional communities and design and deliver many of our leadership programs and initiatives. We worked with several ARLF Associates to secure place-based leadership opportunities in the Nambucca Valley and Snowy Valleys under the Regenerate Regional Leadership Program banner. Our Associate pool continued to bring specialist skills and network connections to grow our reach and impact.
- Continued collaboration with mission-aligned organisations including the Foundation for Rural and Regional Renewal (FRRR), Regional Economies Centre of Excellence (RECoE), Regional Australia Institute (RAI), Australian Resilience Centre (ARC), National Farmers' Federation (NFF), Protected Areas Collaboration, and the Australian Centre for Rural Entrepreneurship (ACRE) through our regional, place-based initiatives.
- Engagement with state-based leadership development practitioners to secure a successful bid for funding under the Building Resilient Regional Leaders (Pilot) Initiative. Leading Australian Resilient Communities (LARC) is a suite of leadership development initiatives including leadership program intensives, future forum workshops, coaching and webinars in 10 regions across Australia in partnership with RAI, ARC, Leadership WA, Leaders Institute of South Australia, Tasmanian Leaders and Leadership Victoria.

- Strengthening our internal capability through an increase in staff from 26 to 37, mostly linked to the implementation of the Drought Resilience Leaders Program, Regenerate Regional Leadership Programs and the Leading Australian Resilient Communities (LARC) program. Our staff are now based in:
 - ACT
 - QLD: Brisbane, Bollier, Gympie, Harvey Bay and Millman
 - NSW: Albion Park, Bathurst, Coreen, Casilis, Dubbo and Port Macquarie
 - Victoria: Glenrowan
 - WA: Perth
- Our dispersed team of staff and associates has enabled us to continue to deliver leadership programs, network events and other initiatives in state bubbles despite border closures associated with COVID-19.
- Maintaining a balanced Board; appropriate size and a good mix of specialties, knowledge and experience across finance, fundraising and governance.
- Delivering successful fundraising initiatives that saw an increase in philanthropic support and donations.
- Securing new and re-engaging with lapsed funding partners including Warakirri Asset Management (TRAIL), Australian Eggs (TRAIL & AALP), goFARM (TRAIL & AALP), New Edge Microbials (ARLP Course 30), Woolworths (AALP & ARLP Course 30) and ARTC/Inland Rail (ARLP C30).
- Benefiting from the support of new and existing philanthropic partners. Through its Fire & Flood Resilience initiative, the Minderoo Foundation broadened the scope of its support for the ARLF. In addition to the Milparanga Program, Minderoo Foundation was a co-funder of the Regenerate Regional Leadership Program in the Nambucca and Snowy Valleys'. We also welcomed the Heritage Bank Charitable Foundation to our community of supporters with their grant to benefit a TRAIL 2023 participant. Long-standing philanthropic partners, including the Tim Fairfax Family Foundation, Thyne Reid Foundation, John B. Foundation and Gardiner Foundation continue to make a difference through their investment in the leadership capability of individuals and communities in rural, regional and remote Australia.

- Achieving a budget surplus in another very challenging year.
- Continued engagement with deep networks created internationally, particularly in Indonesia and more recently with Vietnam, New Zealand, the US, Canada and Scotland despite being unable to travel overseas.

Despite the challenges of growing the ARLF is well-placed to grow sustainably. By nurturing and building on our national leadership development programs we will engage with more communities and regions through our place-based work. We will continue to act as a trusted intermediary by applying a leadership lens to challenges and opportunities across rural, regional and remote Australia. This work is reflected in the ARLF's 2022-2025 Strategic Plan - reviewed earlier this year - to guide us confidently into our fourth decade.

Importantly, we thank our current team and those who have moved on to contribute elsewhere including;

- Jess Sargent
- Gagan Singh
- Marzanne Els
- Jasmine Millard
- Alex Sanchez

Finally, a special thank you to Anna Carr for her dedication as an ARLF board member for the past six years, and to Alex Ramsey for his time served on the ARLF Audit and Risk Committee.

We look forward to maintaining and building our reach through our work with our alumni, and many others committed to a better future for rural, regional and remote Australia. Our core values will continue to underpin everything that we do.



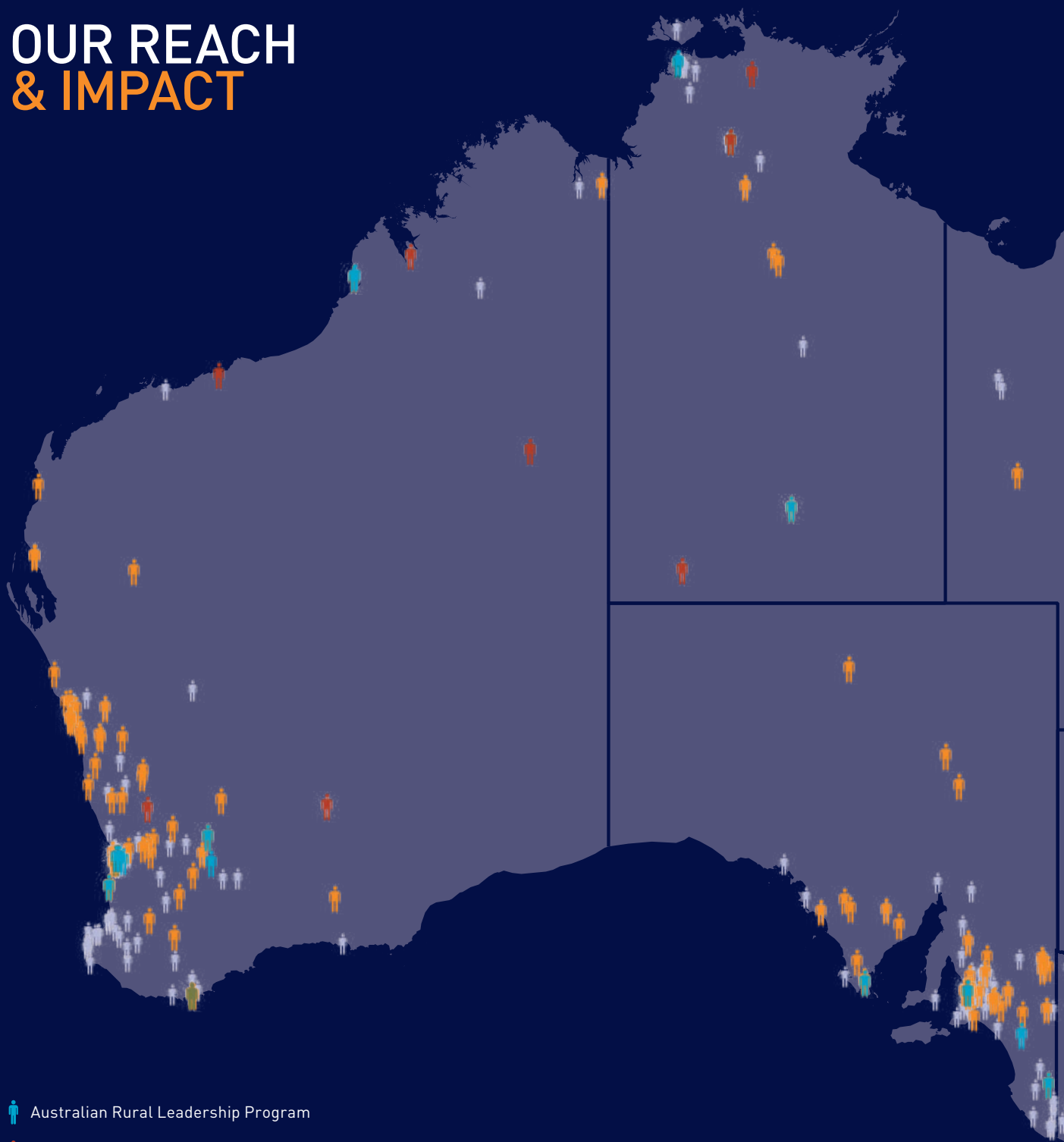
Michael Carroll
Chair



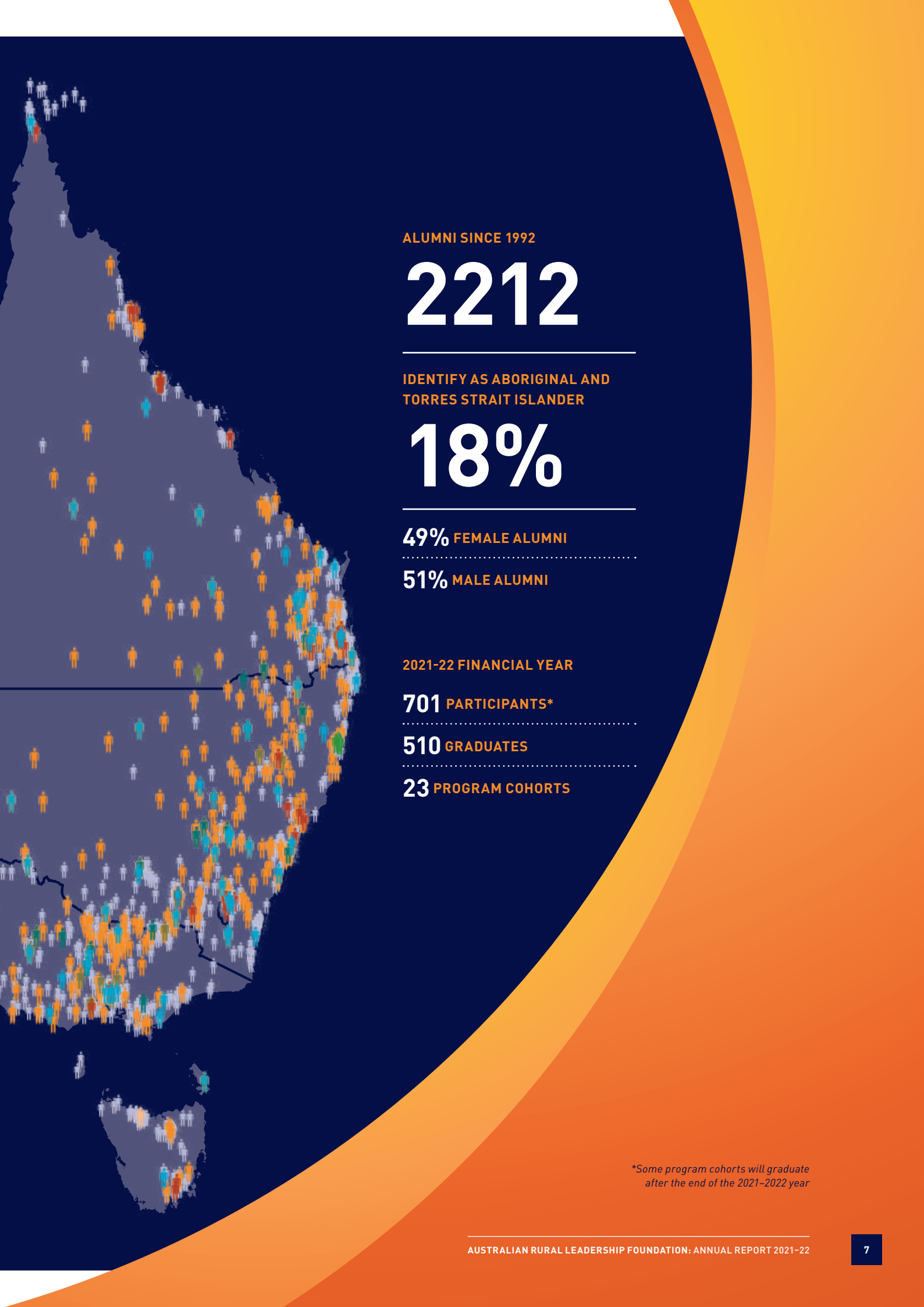
Matt Linnegar
Chief Executive



OUR REACH & IMPACT



-  Australian Rural Leadership Program
-  Milparanga
-  TRAIL Emerging Leaders Program
-  Australian Agribusiness Leadership Program
-  Introduction to Leadership
-  Regenerate Regional Leadership Program
-  Drought Resilience Leaders Program
-  Alumni



ALUMNI SINCE 1992

2212

IDENTIFY AS ABORIGINAL AND
TORRES STRAIT ISLANDER

18%

49% FEMALE ALUMNI

51% MALE ALUMNI

2021-22 FINANCIAL YEAR

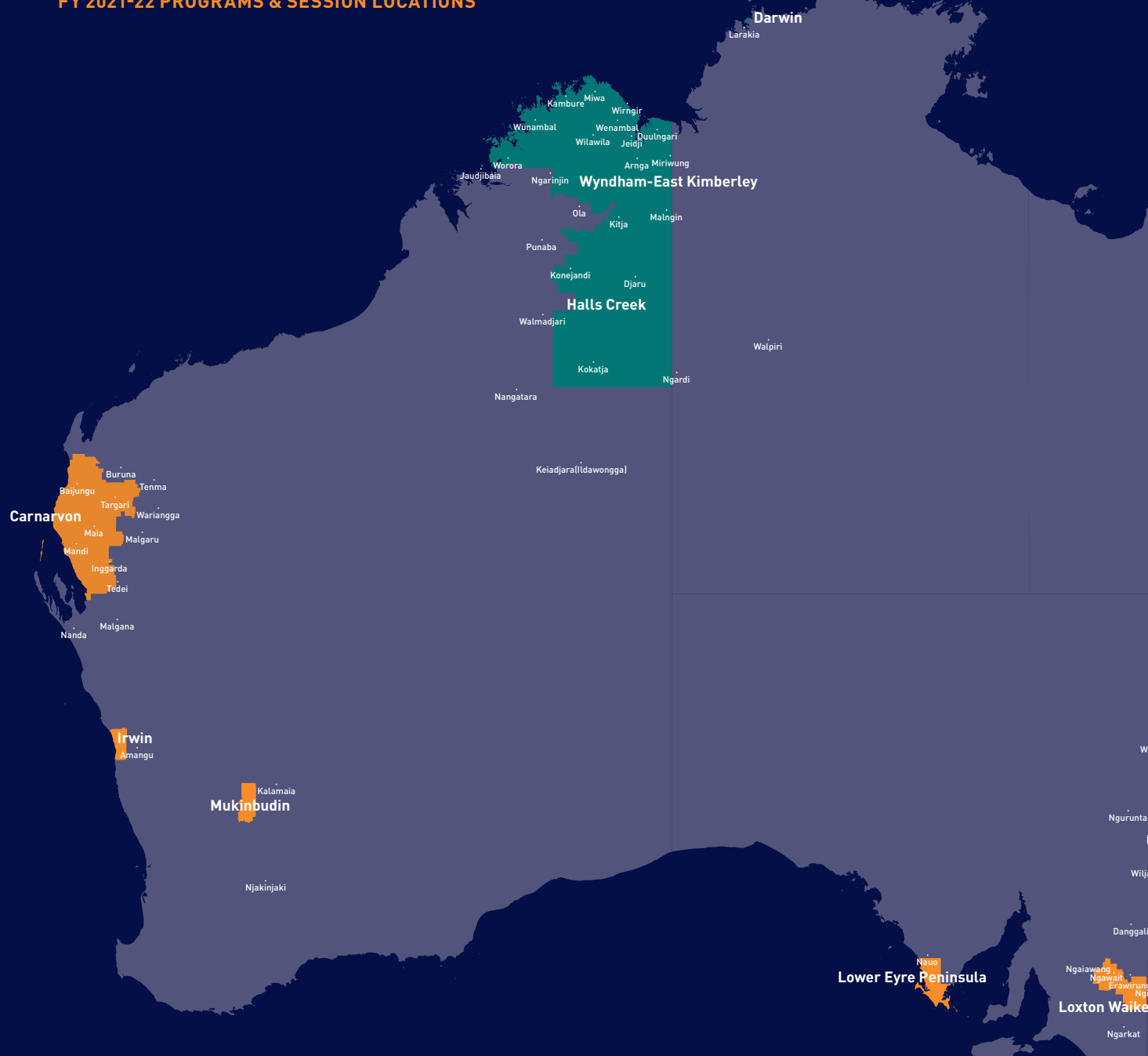
701 PARTICIPANTS*

510 GRADUATES

23 PROGRAM COHORTS

**Some program cohorts will graduate
after the end of the 2021-2022 year*

FY 2021-22 PROGRAMS & SESSION LOCATIONS



OUR NATIONAL PROGRAMS



AUSTRALIAN RURAL LEADERSHIP PROGRAM (ARLP)

The ARLP is the ARLF's flagship program, which has run since 1993. Each year it takes a diverse group of 30 people from across rural and regional Australia. It runs for 15 months in four intensive sessions plus online engagement and mentoring.

The first session is in a remote location where participants are set solo and group challenges. They emerge with a better understanding of themselves and the impact their behaviour has on others, and a chance to connect with Country and First Nations custodians. Two other sessions are in other parts of Australia, where participants engage with leaders from government, business and community. One session is overseas, providing a unique insight into how another country is managing critical issues. Participant selection is competitive and funded through industry, Government or philanthropic scholarships. Each scholarship is matched with an applicant aligning with the sponsor's industry, sector or purpose.



AUSTRALIAN AGRIBUSINESS LEADERSHIP PROGRAM (AALP)

The AALP is a bespoke, 11-day leadership development program for agribusiness leaders. It focuses on fostering individual and collective behavioural change helpful to an adaptive leadership style. Participants are challenged to respond to complex real-world scenarios facing the sector. As a result, participants develop greater self-awareness and establish trust with others. Participants develop inter-organisational connections and strengthen a network of leaders from across the sector. Places on the program are purchased by an agribusiness organisation, though participants can also be self-funded.

TOTAL NUMBER OF PARTICIPANTS

88

TOTAL SESSION DAYS

58

LOCATIONS

- > Darwin
- > Kimberly
- > East Gippsland
- > Canberra and surrounds
- > Online

HUBS

- > Ballarat
- > Hobart
- > Canberra
- > Townsville

TOTAL NUMBER OF PARTICIPANTS

23

TOTAL SESSION DAYS

10

LOCATIONS

- > Canberra and surrounds
- > Orange



TRAIL EMERGING LEADERSHIP PROGRAM

TRAIL is a cross-sector, seven-day leadership program for Australia's emerging rural leaders. It develops their leadership skills and connects them with a network of peers and role models. It includes a four-day outdoor experience, along with numerous workshops and panel sessions. Participants become more self-aware through experiential and challenged-based learning and psychometric assessment. They deconstruct complex situations and assumptions through exposure to topical issues for rural, regional, and remote Australia. They build awareness of ethics, values, social responsibility, negotiation, communication, and critical thinking. Applicants come from diverse backgrounds and are self-funded or sponsored by employers or industry bodies.



MILPARANGA – BUILDING FIRST NATIONS LEADERSHIP

The ARLF has two regular programs developing First Nations leadership - one for people in the early stages of leadership and one for established leaders. Each is an eight-day course that allows Aboriginal and Torres Strait Islander participants to engage in robust conversations that honour existing skills and knowledge, as well as provoke thoughts, all within a supportive space. Milparanga Emerging participants hear stories from Indigenous leaders, visit culturally significant sites and undertake outdoor and other activities that test their self-awareness and ability to communicate. Milparanga Established Leadership Program participants network with other First Nations leaders from across Australia, hear a range of speakers with different perspectives on leadership, and put their skills and awareness of culture, gender, politics, social and environmental systems, and history into decision-making and action.

TOTAL NUMBER OF PARTICIPANTS

19

TOTAL SESSION DAYS

8

LOCATIONS

- > Canberra and surrounds
- > Online

TOTAL NUMBER OF PARTICIPANTS

55

TOTAL SESSION DAYS

17

LOCATIONS

- > Cairns
- > Yarrabah
- > Mossman Gorge
- > Gold Coast
- > Surfers Paradise
- > Brisbane
- > Online

OUR PLACE-BASED AND SECTOR PROGRAMS



DROUGHT RESILIENCE LEADERS PROGRAM (DRLP)

The program has three elements designed to support agricultural communities to prepare for the impacts of future droughts and a changing climate. The first is a leaders development program delivered in 12 drought impacted regions. This brings together cohorts of people who are passionate about building the drought resilience of their communities through strong networks and the development of the knowledge and skills to drive change. The second is access to community extension grants for individuals or groups to deliver a project that will contribute to their community's drought resilience. The third element is a national mentoring program, connecting experienced mentors with mentees who want to build their knowledge of drought resilience. This program is funded by the Australian Government's Future Drought Fund.

LEADERS DEVELOPMENT PROGRAM

TOTAL NUMBER OF PARTICIPANTS

178

TOTAL SESSION DAYS

74

LOCATIONS

> Moama > Bingara
> Barcaldine > Carnarvon
> Longreach > Mutawintji
> Port Lincoln > Loxton
> Dongara > Roma
> Mukinbudin

MENTORING PROGRAM

MENTEES

206

MENTORS

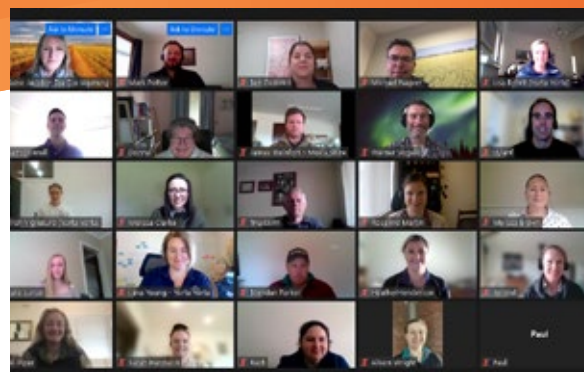
157

TOTAL SESSION DAYS

6

LOCATION

> Online



NATIONAL DROUGHT WEBINARS: ADAPTING TO A FUTURE WITH DROUGHT – UNLOCKING RESILIENCE IN RURAL AUSTRALIA

Series of 8 webinars

Topics

- *Inclusion and diversity – Why there is a place for everyone in ag*
107 registrations
- *Lessons learned from drought – How we can build resilience in rural communities*
204 registrations
- *Impacts and predictions – How agriculture can take advantage of a changing climate*
324 registrations
- *Trial and error – What happens when we fail? Handling adversity for success*
439 registrations
- *Health and wellbeing – How we can support each other in rural communities*
466 registrations
- *Innovation and adaptation – How agtech solves problems on the ground*
485 registrations
- *Resilience practices – practical tips to building drought resilience from the community to the farm*
516 registrations
- *Cultivating sustainable leadership*
438 registrations

DRLP COMMUNITY EXTENSION GRANTS 2022

53 RECIPIENTS



REGENERATE NAMBUCCA

Regenerate enables people from bushfire-impacted regions to revive and reinvigorate their communities. It encourages them to identify their community's capacity to cope with disasters and figure out where it might need help. Participants learn how leadership plays a critical role in the process of building long-term community resilience and shared responsibility. These programs are funded by the Australian and NSW Governments, and are supported by the GlobalGiving Foundation and the Minderoo Foundation. Both programs have associated grant schemes to support community projects arising from the program.



INTRODUCTION TO LEADERSHIP

Introduction to Leadership is a partnership with Rimfire Resources for Hort Innovation Australia. The program aims to:

- Develop a greater understanding of the diversity of opportunities and people within horticulture and related industries
- Build relationships and networks with industry participants and leaders and the ARLF network
- Build a greater understanding of self and 'people' capabilities to engage in a range of diverse industry contexts.

TOTAL NUMBER OF
PARTICIPANTS

11

TOTAL SESSION
DAYS

3

LOCATION

> Bowraville

TOTAL NUMBER OF
PARTICIPANTS

9

TOTAL SESSION
DAYS

6

LOCATION

> Brisbane
> Online

OUR BOARD



MICHAEL (MIKE) CARROLL

Chair

Michael Carroll was appointed Chair of the Australian Rural Leadership Foundation in March 2016, and he first joined the Foundation Board in November 2015. He has more than 25 years of experience in food and agribusiness with current directorships including Paraway Pastoral Company, Rural Funds Management, and Viridis Ag. Mike is also a member of the Marcus Oldham Agricultural College Foundation. Former board roles include Select Harvests, Elders, Sunny Queen, Tassal, Warrnambool Cheese & Butter, Queensland Sugar, Rural Finance Corporation, the Australian Farm Institute, Meat and Livestock Australia, the Geoffrey Gardiner Dairy Foundation, Genetics Australia and the Regional Investment Corporation.

Mike has held senior positions at the National Australia Bank and Monsanto Agricultural Products. His family have farmed at Mudgegonga for over 150 years and Mike has a property in southwest Victoria. Mike holds a Bachelor of Agricultural Science from La Trobe University and a Master of Business Administration from Melbourne University Business School. He completed the Advanced Management Program at Harvard Business School, Boston and is a Fellow of the Australian Institute of Company Directors.



SYLVIA ADMANS

Sylvia has over 40 years professional experience, working across government, not for profit, and commercial sectors. Her most recent 20 years was spent in the philanthropic sector where she was CEO of the R E Ross Trust and CEO of the Foundation for Rural & Regional Renewal (FRRR) where she established the Foundation in Bendigo, Vic. Across both these roles she has made a significant contribution to place-based and community philanthropy.

She hails from Yetman in northern NSW, is a qualified Librarian, a graduate of the Australian Rural Leadership Program, a Fellow of the Australian Rural Leadership Foundation, a Churchill Fellow and holds a Diploma from the Institute of Company Directors. She lives with her partner David in Melbourne.



MARGAUX BEAUCHAMP

Margaux Beauchamp is a seasoned corporate, capital and value advisor with more than 30 years of experience. Her expertise is in advising on food and agribusiness divestments, acquisitions, IPOs, takeovers, and takeover defence mandates. Margaux leads BDO Brisbane's Food and Agribusiness Sector Group.

Margaux is a non-executive director of CPC Group Holdings Pty Ltd, an Australian managed, UK owned Agrifood business that owns and operates a portfolio of nine cattle stations and two feedlots in Indonesia; and former director of Mulgowie Fresh Pty Ltd. She was raised on a cattle station in Far Western Queensland and maintains a private investment in the beef industry, spending considerable time each year in regional Australia.

Margaux holds a Bachelor of Agricultural Economics (Honours) from the University of New England and a Master of Commerce from the University of Queensland. She is a Member of the Australian Institute of Company Directors and Chartered Accountants Australia and New Zealand.



ROB DULHUNTY

Rob Dulhunty joined the Foundation Board in November 2015. He brings extensive experience in leadership and advisory roles in the regional space. Rob was Chair of Landcare New South Wales (LNSW) from 2011-2018, Vice-Chairman from 2006-2011, and a Founding member of Landcare NSW in 2006. Rob's Landcare roots extend back to his roles as founding chair of Furracabad Landcare Group in 1989, member and subsequent chair of GLENRAC (Glen Innes Natural Resources Advisory Committee), founding member and chair of New England and Northwest Landcare Committee. Rob's leadership roles in Landcare also extended to the national level as a director of the NLN (National Landcare Network). He was awarded Life Membership of LNSW in 2018 and won the prestigious Gerald Carnie Memorial Landcare award in 2019. He has also demonstrated his leadership by acting in an advisory capacity on various advisory committees to the NSW Government, the Natural Resources Commission, and Local Land Services. Rob is also Manager of Nant Pastoral Co Pty Ltd which conducts his family's rural enterprises. Rob has also been a member, director and chair of other NFP organisations.



MELISSA FLETCHER

Melissa is a Kamilaroi woman from Moree now residing in Dubbo in NSW and a graduate of Course 18 of the Australian Rural Leadership Program. Melissa is the CEO of Fletcher International Exports Pty Ltd as well as an owner of an Events business in Fortitude Valley Brisbane. Melissa is the Deputy Chair of the Australian Meat Processing Corporation (AMPC) has previously served as a Director of MINTRAC and the Albany Port Authority, General Manager of Fletcher International WA and as Indigenous Liaison at St Patricks Senior College in Mackay, Qld.



RICK SAWERS

Rick is from Alexandra Victoria and now resides in Melbourne and joined the Foundation Board in March 2016. He has over 45 years of experience as a senior executive with several large, Australian, listed corporations, he has extensive experience working in international locations in financial services, markets, trade, strategy and risk management. In addition, Rick, is an experienced company director, including past roles as Chair of the Board and Chair of key Board sub-committees, contributing high standards of corporate governance and extensive strategy formulation and execution experience. Rick has held roles as Executive Chair of Great Western Bancorporation (USA), Chair of the Australian Financial Markets Association, Deputy Chair of Export Finance Australia, (formerly EFIC), and Executive Director of Clydesdale Bank PLC, (now Virgin Money UK).

OUR PEOPLE

STAFF

Chief Executive and Company Secretary	Matt Linnegar
Director, Partnerships	Philippa Woodhill
Director, Learning	Andrea Hogg
Director, Finance & Operations	David Brouwer
Director, Corporate Services	Lockie McDonald
Project Lead, Drought Resilience Leaders	Catherine McGufficke
Project Lead, Resilient Regions	Marissa Clift
Manager, Alumni Engagement	Julia Strang
Manager, Business Development	Tristan Richmond
Manager, Communications	Karen Freer
Manager, Finance & HR	Kas Al-Shehari
Manager, Governance	Annette McCarthy
Manager, Learning	Andrew Bryant
Manager, Learning	Erin Burrows
Manager, Learning	Grant Cameron
Manager, Learning	Penny Gladwin
Manager, Learning	Simone Carroll-Germech
Manager, Mentoring & Insights	Werner Vogels
Manager, Networks	Gemma Gordon
Manager, Networks	Monique Brouwer
Manager, Philanthropy	Vivienne Johnson
Manager, Program Operations & Experience	Kristy Frahm
Lead, Community Partnerships	Allison Mudford
Coordinator, Business Support	Alexandra Sanchez (until June 2022)
Coordinator, Communications	Jorunn Lorenzen
Coordinator, Data Services	Fiona Humphris
Coordinator, Digital Projects	Emily Pillow
Coordinator, Learning	Erin Chesney

STAFF *(continued)*

Coordinator, Learning	Janelle Ruggeri
Coordinator, Learning	Kerren Britton
Coordinator, Learning	Marzanne Els (until February 2022)
Coordinator, Learning	Naomi Jeffs
Coordinator, Learning	Rebecca Wilde
Coordinator, Learning	Shikierra Thorne
Coordinator, Learning	Suanne Sands
Coordinator, Partnerships	Melinda Murnane
Coordinator, Project Support, DRLP	Jess Sargent (until December 2021)
Coordinator, Project Support, DRLP	Lesley Vick
Coordinator, Project Support	Katherine Davison
Administration Assistant	Jasmine Millard (until March 2022)
Assistant Accountant	Gagandeep Singh (until January 2022)
Bookkeeper	Stacey Pyke

PATRONS

Patron-in-Chief	His Excellency General the Honourable David Hurley AC DSC (Retd)
Patron Emeritus	General the Honourable Sir Peter Cosgrove AK AC (MIL) CVO MC (Retd)
Patron	Mr Tim Fairfax AC
Patron	Professor Colleen Hayward AM
Patron	The Hon Andrew Robb AO

ASSOCIATES

- Susan Bedyka
- Leith Bouilly
- Elizabeth Brennan
- Stephen Brown
- Steve Colman
- Michelle Deshong
- Russell Fisher
- Scott Gorringe
- Karim Haddad
- Alana Johnson
- Craig Jones
- Tanya Lehmann
- Catherine Marriot
- Zoë Routh
- Adam Smith
- Ali Wass
- Jennifer Wressell

OUR PARTNERS

Thanks to our corporate, industry, philanthropic and government partners who fund scholarships, commission programs and collaborate with us including:

- Agriculture Victoria
- Agriculture Victoria Research
- AgriFutures Australia
- AuctionsPlus
- ANZ Bank
- CBRE
- CBH Group
- Cotton Australia
- Cotton Research & Development Corporation
- AuctionsPlus
- Australian Eggs
- Australian Food and Fibre
- Australian Government Department of Agriculture, Fisheries and Forestry
- Australian Government Department of Education
- Australian Government Department of Infrastructure, Transport, Regional Development and Communications and the Arts
- Australian Government Department of Health and Aged Care
- Australian Government National Recovery and Resilience Agency
- Australian Livestock Exporters Council
- Australian Lot Feeders' Association
- Australian Meat Processor Corporation
- Australian Pork Limited
- Australian Wool Innovation
- Consolidated Pastoral Company
- Dairy Australia
- Elders Limited
- Fisheries Research & Development Corporation
- Fletchers International Meats
- Gardiner Dairy Foundation
- GlobalGiving
- Goat Industry Council of Australia
- goFARM
- Grains Research & Development Corporation
- Great Southern Regional Development Commission
- Heritage Bank Charitable Foundation
- Indigenous Land & Sea Corporation
- Macquarie Agricultural Funds Management
- Meat & Livestock Australia
- Minderoo Foundation
- Minerals Council of Australia
- National Indigenous Australians Agency
- National Farmers' Federation
- NSW Department of Primary Industries
- Department of Regional NSW
- NSW Local Land Services
- NuFarm Australia Limited
- Nutrien Ag Solutions
- Paraway Pastoral Co
- Prime Super
- Proway Livestock Equipment
- Rimfire Resources
- Suncorp
- Syngenta
- Telstra Corporation
- The John B. Foundation
- Thyne Reid Foundation
- Tim Fairfax Family Foundation
- Torres Strait Regional Authority
- Turf Australia
- WA Department of Primary Industries and Regional Development
- Westpac Banking Corporation
- Woolworths Limited

OUR COLLABORATORS

- Australian Resilience Centre
- Foundation for Rural and Regional Renewal
- Kowa Collaboration
- Leaders Institute of South Australia
- Leadership Victoria
- Leadership WA
- National Farmers' Federation
- Rural Economies Centre of Excellence
- Regional Australia Institute
- Rural Room
- SARRAH
- Tasmanian Leaders

OUR DONORS

- Ailsa Fox OAM
- Aimee Snowden
- Alexander Dunn
- Amy Halliday
- Annette McCarthy
- Ben Paxton
- Catherine Daniel
- Catriona Murray
- Cecilia Myers
- Cecily Andersen
- David Ellis
- David Mailler
- Deborah Dowden
- Dionne Walsh
- Emma Thomas
- Freda Nicholls
- Gagan Singh
- Georgina Somerset AM
- Honourable Peter D Styles
- Hugh Nivison
- Jane Milburn OAM
- Jody McMiles
- John Harrison
- John Pratt
- Julia Hausler
- Louise Stock
- Lukina Lukin
- Maree Choenden-Dhongdue
- Maria Townsend
- Merna Curnow
- Michael Mooney
- Mike Carroll
- Niki Ford
- Peter Day
- Ramtin Sohrabian
- Richard Evison
- Richard Sawers
- Robert Dulhunty
- Robert Hadler
- Ross and Edwina Sharrock
- Sabina Knight AM
- Stacey Lugsdin
- Stefan Henggeler
- Stephen Brown
- Stephen Mally
- Sylvia Admans
- Thea Kimber
- Therese Herbert
- Thomas Deery
- Tim Ferraro
- Vivienne Johnson

DIRECTORS' REPORT

The Directors of the Australian Rural Leadership Foundation Limited (ARLF) present their report for the financial year ended 30 June 2022.

PRINCIPAL ACTIVITIES

The principal activity of the ARLF during the 2022 financial year was the development and delivery of programs and initiatives that support and develop leadership in, and for regional, rural and remote Australia including:

- Australian Rural Leadership Program (ARLP)
- Milparanga Aboriginal and Torres Strait Islander Leadership Program
- TRAIL for emerging leaders
- Australian Agribusiness Leadership Program
- Drought Resilience Leaders Program
- client-specific courses for particular groups or industries
- the engagement and enhancement of the Australian Rural Leadership Foundation's leadership network of graduates and members.

The ARLF acknowledges that our activities and initiatives are carried out on the traditional lands of Australia's First People. We acknowledge the traditional custodians of all the lands on which we meet, work and live and recognise that this land has always been and always will be Aboriginal and Torres Strait Islander land.

SHORT-TERM AND LONG-TERM OBJECTIVES

The ARLF's short-term objectives are to:

- deliver high impact leadership initiatives and programs
- contribute to public discourse and convene networks for improved outcomes for rural, regional and remote Australia
- improve systems and processes.

The ARLF's long-term objective is to

- contribute to thriving rural, regional and remote communities strengthening Australia and our region.

ARLF STRATEGIC PLAN

The *ARLF Strategic Plan: Towards 2025* was developed early 2021 to provide direction for the organisation for the period 2021-2025.

The four strategic focus areas outlined in the *ARLF Strategic Plan: Towards 2025* are:

- **Leadership Programs:** creating and delivering leadership programs
- **Leadership Services:** creating, coordinating and delivering a wide range of fee for service leadership offerings
- **Leadership Practice:** grow leadership development communities of practice and exercise leadership towards our vision
- **Ensuring Capability:** building and maintaining ARLF's ability, support services and systems to enable our vision.

Inherent in all strategic focus areas is our work with ARLF alumni. The plan provides direction by outlining immediate, short-term and future ARLF priorities.

INFORMATION ON DIRECTORS

During the year the following people served on the board:

- **Mr Michael Carroll** BAgri MBA FAICD
Chair
(Joined the board 4 March 2016)
- **Ms Margaux Beauchamp** BAgEc (Hons) MCom CA GAICD
(Joined the board 9 August 2019)
- **Mr Robert Dulhunty**
Chair of Nominations and Remuneration Committee
(Joined the board 18 November 2015)
- **Mr Rick Sawers** Dip Inter Trade MA
Chair of Audit and Risk Committee
(Joined the board 4 March 2016)
- **Ms Sylvia Admans** BA Dip.Lib Grad Dip Executive Management FARLF GAICD
Chair of Fundraising Committee
(Joined the board 10 May 2019)
- **Dr Anna Carr** BA (Hons) MAES PhD FARLF GAICD
(Joined the board 18 November 2015, Retired 11 November 2021)
- **Ms Melissa Fletcher** FARLF
(Joined the board 17 November 2017)

The ARLF seeks to maintain a board that is of an appropriate size that collectively has the skills, commitment and knowledge to enable it to discharge its duties effectively and to add value.

During the year, the ARLF held seven Board meetings, four Audit and Risk Committee meetings, four Nominations and Remuneration Committee meetings and four Fundraising Committee meetings.

Director	Board Meetings	Audit and Risk Committee*	Nominations and Remuneration Committee	Fundraising Committee
Ms Sylvia Admans	7 (7)	-	4 (4)	4 (4)
Ms Margaux Beauchamp	6 (7)	3 (4)	1 (2)	-
Dr Anna Carr	4 (5)	2 (2)	2 (2)	-
Mr Michael Carroll	7 (7)	1 (1)	-	-
Mr Robert Dulhunty	7 (7)	-	4 (4)	4 (4)
Ms Melissa Fletcher	5 (7)	-	1 (2)	2 (4)
Mr Rick Sawers	7 (7)	4 (4)	-	4 (4)
Mr Alex Ramsey* *Independent Member	-	3 (3)	-	-

NB: The figure in brackets indicates the number of meetings that Directors were eligible to attend during the 2022 financial year.

DIRECTORS' BENEFITS

During or since the financial year, no director of the ARLF has received, or become entitled to receive, a benefit (other than potential or perceived benefit as disclosed in note 14 (c) related party transactions) by reason of a contract made by the ARLF with the director, or with a firm of which a director is a member or with an entity in which a director has a substantial interest.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the financial year, the ARLF has paid premiums insuring all the directors and officers of the ARLF against costs incurred in defending proceedings for conduct involving a contravention of sections 182 or 183 of the *Corporations Act 2001*, as permitted by section 199B of the *Corporations Act 2001*.

The total amount of the insurance contract premiums paid was \$7,449 (2021: \$6,823) excluding GST.

WORKPLACE HEALTH AND SAFETY REGULATIONS

ARLF's operations are subject to various workplace health and safety regulations under both Commonwealth and State legislation. The Board believes that ARLF has adequate systems in place for the management of its workplace health and safety requirements and is not aware of any breaches of those requirements as they apply to ARLF.

CULTURE

Directors are committed to upholding a culture of diversity and inclusion, to challenging entrenched ideas and approaches, to foster collaboration and to influence change for positive impact.

CHANGES IN THE STATE OF AFFAIRS

Coronavirus (COVID-19) has continued to cause disruption for the ARLF in the 2022 financial year, with multiple jurisdictional border closures and travel restrictions. Programs scheduled for delivery between July 2021 and February 2022 were either postponed or delivered in a blended, multimodal approach. Face-to-face program delivery recommenced in March 2022 and continues to be the primary mode of delivery.

In April 2022 the ARLF was awarded the *Building Resilient Regional Leaders Initiative Pilot* to deliver ten place-based leadership programs in conjunction with other consortia partners. Delivery of these programs will continue until July 2023. Also in April 2022, the ARLF, in partnership with the Foundation for Rural & Regional Renewal (FRRR), was awarded a contract extension of the *Drought Resilience Leaders Program*. The second phase of this program, *Helping Regional Communities Prepare for Drought*, will see the ARLF connect with 35 regions over three years, further expanding our reach and impact in rural, regional and remote Australia.

There were no other significant changes during the reporting period in the state of the affairs of the ARLF, other than those disclosed in this report and the accounts.

SUBSEQUENT EVENTS

The impact of the COVID-19 pandemic is ongoing and while it has been financially negative for the ARLF up to 30 June 2022, it is not practicable to estimate the potential impact, positive or negative, after the reporting date.

Directors are not aware of any other matter or circumstance since the end of the financial year that have significantly affected the ARLF's affairs.

OPERATING RESULTS

The surplus for the financial year was \$121,780 (2021: \$58,024 surplus).

REVIEW OF OPERATIONS

A detailed review of operations is provided in the Chief Executive's Report.

FUTURE DEVELOPMENTS AND RESULTS

The future focus of the ARLF is to continue to deliver high quality leadership opportunities for more people in more places while also ensuring the organisation is capable and sustainable. The ARLF is well positioned to work towards these priorities as the next three years will see the ARLF, with multiple delivery partners and associates, deliver leadership activities in over 50 regions with an emphasis on community recovery and resilience in rural, regional and remote Australia.

The continued easing of COVID-19 restrictions has allowed the full resumption of face-to-face program delivery. Although the ARLF will continue to use some elements of multimodal delivery within selected programs, face-to-face delivery is preferred. The experience gained over the last two years of COVID interruptions sees the ARLF well positioned to quickly shift delivery methods should the need occur.

COMPANY DETAILS

The ARLF is a public company limited by guarantee. If the ARLF is wound up, the constitution states that each member and each member who ceased to be a member in the preceding year is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the ARLF. At 30 June 2022 the number of members was 886 (2021: 852).

AUDITOR INDEPENDENCE

A copy of the auditor's independence declaration as required by the *Australian Charities and Not-for-profits Commission Act 2012* is set out immediately after this report.

Signed in accordance with a resolution of the Board of Directors.



Mr Michael Carroll
Chair



Mr Rick Sawers
Chair Audit and Risk Committee

Date: 19 October 2022



RSM Australia Partners

Equinox Building 4, Level 2, 70 Kent Street Deakin ACT 2600
GPO Box 200 Canberra ACT 2601

T +61(0) 2 6217 0300

F +61(0) 2 6217 0401

www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Australian Rural Leadership Foundation Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

RSM AUSTRALIA PARTNERS

Ged Stenhouse
Partner

Canberra, ACT
Dated: 19 October 2022

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AUDIT | TAX | CONSULTING

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RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

Australian Rural Leadership Foundation Limited
Statement of profit and loss and other comprehensive income
For the year ended 30 June 2022

	Note	2022 \$	2021 \$
Revenue and other income	2	8,496,930	4,798,976
Operating costs		(4,694,446)	(2,363,481)
Staffing costs		(3,152,643)	(2,009,975)
Core administrative costs		(425,312)	(268,364)
Lease interest expense		(3,488)	(4,252)
Depreciation and amortisation		(99,261)	(94,880)
Surplus/(deficit) before income tax		121,780	58,024
Other comprehensive income		-	-
Surplus/(deficit) attributable to members of the Foundation		121,780	58,024

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Australian Rural Leadership Foundation Limited
Statement of financial position
As at 30 June 2022

	Note	2022 \$	2021 \$
CURRENT ASSETS			
Cash and cash equivalents	3	8,480,737	8,695,129
Trade and other receivables	4	505,138	192,909
Investments	5	1,860,200	2,360,200
Other current assets	6	292,660	240,819
TOTAL CURRENT ASSETS		11,138,735	11,489,057
NON-CURRENT ASSETS			
Plant and equipment	7	87,873	59,211
Right-of-use assets	8	108,696	33,819
TOTAL NON-CURRENT ASSETS		196,569	93,030
TOTAL ASSETS		11,335,304	11,582,087
CURRENT LIABILITIES			
Payables	9	1,024,232	870,441
Provisions	10	260,653	141,436
Unearned revenue	11	7,452,394	8,503,933
Lease liabilities	12	72,435	35,672
Other liabilities	13	9,359	9,359
TOTAL CURRENT LIABILITIES		8,819,073	9,560,841
NON-CURRENT LIABILITIES			
Provisions	10	18,004	50,777
Unearned revenue	11	750,440	382,466
Lease liabilities	12	38,004	-
TOTAL NON-CURRENT LIABILITIES		806,448	433,243
TOTAL LIABILITIES		9,625,521	9,994,084
NET ASSETS		1,709,783	1,588,003
EQUITY			
Reserves		1,709,783	1,588,003
TOTAL EQUITY		1,709,783	1,588,003

The above statement of financial position should be read in conjunction with the accompanying notes

Australian Rural Leadership Foundation Limited
Statement of changes in equity
For the year ended 30 June 2022

	Commitments Reserve ¹	General Reserve ²	Development Funds Reserve ³	Endowment Funds Reserve ⁴	Retained Surplus	Total
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2020	450,000	525,010	443,700	111,269	-	1,529,979
Comprehensive income						
Surplus/(Deficit) for the year	-	-	-	-	58,024	58,024
Total comprehensive income					58,024	58,024
Other transfers						
Transfers to reserves from Retained Surplus	-	-	58,024	-	(58,024)	-
Transfers (to)/ from reserves	355,000	(213,012)	(141,254)	(734)	-	-
Total other transfers	355,000	(213,012)	(83,230)	(734)	(58,024)	-
Balance at 30 June 2021	805,000	311,998	360,470	110,535	-	1,588,003
Comprehensive income						
Surplus/(Deficit) for the year	-	-	-	-	121,780	121,780
Total comprehensive income					121,780	121,780
Other transfers						
Transfers to reserves from Retained Surplus			121,780		(121,780)	-
Transfers (to)/ from reserves	35,000	108,002	(147,080)	4,078	-	-
Total other transfers	35,000	108,002	(25,300)	4,078	(121,780)	-
Balance at 30 June 2022	840,000	420,000	335,170	114,613	-	1,709,783

¹ The Commitments Reserve represents the estimated funds to complete courses in progress and other contractual obligations entered into by the Foundation.

² The General Reserve represents the estimated funds necessary to cover closure costs including staff entitlements should the Foundation need to cease operations.

³ The Development Funds Reserve represents the balance of members' funds available for discretionary activities of the Foundation.

⁴ The Endowment Funds Reserve represents donations received from fellows, board, staff and other donors to fund ARLF scholarships.

The above statement of changes in equity should be read in conjunction with the accompanying notes

Australian Rural Leadership Foundation Limited
Statement of cash flows
For the year ended 30 June 2022

	Note	2022 \$	2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Course fees and sponsorships received		7,644,550	11,173,175
Interest received		13,833	29,328
Other receipts		519,526	532,404
Payments for operations and conduct of courses		(8,760,780)	(4,502,010)
Lease interest paid		(3,488)	(4,252)
Net cash generated from operating activities	16	<u>(586,359)</u>	<u>7,228,645</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of furniture and equipment		(57,870)	(39,849)
Proceeds from/ (payments for) term deposits		<u>500,000</u>	<u>(506,827)</u>
Net cash generated from/(used in) investing activities		<u>442,130</u>	<u>(546,676)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease liabilities paid		<u>(70,163)</u>	<u>(67,604)</u>
Net cash used in financing activities		<u>(70,163)</u>	<u>(67,604)</u>
Net movement in cash and cash equivalents		(214,392)	6,614,365
Cash and cash equivalents at beginning of financial year		<u>8,695,129</u>	<u>2,080,764</u>
Cash and cash equivalents at end of financial year	3	<u>8,480,737</u>	<u>8,695,129</u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Australian Rural Leadership Foundation Limited
Notes to the financial statements
30 June 2022

Note 1. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a. New or amended Accounting Standards and Interpretations adopted

The Foundation has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

b. Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures of the Australian Accounting Standards Board (AASB) and the *Australian Charities and Not-for-profits Commission Act 2012*. The foundation is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

c. Critical accounting judgements, estimates and assumptions

The Directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates and judgements assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Foundation.

Key judgement – Deferral of revenue and revenue recognition

i) Australian Rural Leadership Program and Short Courses
Payments made prior to the commencement of a course and course fees are deferred and recognised as income received in advance when received. On commencement of a course, outstanding fees are recognised as course receivables and unearned revenue. Revenue is then recognised progressively as course expenses are incurred over the completion of each course.

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Foundation based on known information. This consideration extends to the measurement of progress of course completions for revenue recognition purpose.

ii) Grant Revenue
Grants are recognised as revenue in the year received or receivable to the extent of expenditure during the year for the purpose of the grant. Grant monies that have been received or are receivable but have not been expended at balance date, including interest thereon where required under the terms of the grant, are recognised as Unexpended grants in unearned revenue.

Australian Rural Leadership Foundation Limited
Notes to the financial statements
30 June 2022

Note 1. Summary of significant accounting policies (continued)

d. Comparative figures

Where necessary, comparative figures have been adjusted to conform to changes in presentation in these financial statements.

e. Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

f. Income tax

As the company is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Australian Rural Leadership Foundation Limited
Notes to the financial statements
30 June 2022

2022
\$

2021
\$

Note 2: Revenue and other income

Revenue from contracts with customers:

Course revenue	7,794,669	4,042,353
Network membership fees and events	168,837	200,073

Income from other sources

Donations and sponsorships	500,910	152,345
Interest	13,898	24,146
Government subsidies	-	380,059
Sundry income	18,616	-
	8,496,930	4,798,976

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

Australian Rural Leadership Program (ARLP)	1,465,502	1,719,679
Short Courses	6,329,167	2,322,673
Other revenue	168,837	200,074
	7,963,506	4,242,426

Accounting policy

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Foundation is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Foundation: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

For the course revenue the Foundation applies the input method of measuring progress for each performance obligation satisfied over time. Consequently, course revenue is progressively recognised in the statement of profit or loss and other comprehensive income as follows: (i) for course costs, revenue is recognised for direct course costs incurred in respect of sessions; and (ii) for the contribution to core administrative costs, progressively over the term of the course (including the selection period prior to the commencement of a course) in accordance with the stage of completion of each course.

Network membership fees are recognised when billed which is generally in four instalments over the term of a course. Network events income and expenses are recognised as revenue and expense when the event is held.

Other income

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to financial assets.

Reciprocal grants contain specific conditions and enforceable obligations on the use of those funds are recognised as and when the Foundation satisfies its performance obligations stated within the grant agreements. A contract liability is recognised for unspent grant funds for which a refund obligation exists in relation to the funding period. General grants that do not impose specific performance obligations on the Foundation are recognised as income when the Foundation obtains control of those funds, which is usually on receipt.

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

Australian Rural Leadership Foundation Limited
Notes to the financial statements
30 June 2022

2022
\$

2021
\$

Note 3: Cash and cash equivalents

Cash on hand and at bank

8,480,737 8,695,129

Accounting policy

Cash and cash equivalents include cash on hand and in banks, in deposits at call and investments in money market instruments convertible to cash within 45 days.

Note 4: Trade and other receivables

Trade receivables

499,354 192,205

Provision for bad debts

(840) (5,855)

Interest Receivable

6,624 6,559

505,138 192,909

Current receivables are receivable within 30 days. \$1,470 of receivables were overdue by 90 days or more under approved payment plans or other arrangements (2021: \$8,385). All receivables have been assessed for impairment and \$840 has been recognised as allowance for impairment at 30 June 2022 (2021: \$5,855).

Accounting policy

Trade and other receivables are recognised at amortised cost, less any provision for impairment. Receivables expected to be settled within 12 months of the end of the reporting period are classified as current assets with all other receivables being classified as non-current assets.

Note 5: Investments

Fixed term deposits

1,860,200 2,360,200

Accounting policy

Financial assets are initially measured at fair value on trade date, which includes transaction costs, when the related contractual rights or obligations exist. All financial assets are classified as 'financial assets at amortised cost' and are recognised at amortised cost.

Note 6: Other current assets

Prepaid ARLP and short course costs

192,209 192,209

Prepaid insurance

34,115 34,051

Prepaid other expenses

66,333 14,559

292,657 240,819

Prepaid Course Costs

Direct course costs incurred prior to the commencement of a course are recognised as prepaid course costs (other current assets).

Australian Rural Leadership Foundation Limited
Notes to the financial statements
30 June 2022

Note 7: Plant and equipment

	2022 \$	2021 \$
Furniture, plant and equipment – at cost	218,569	160,699
Accumulated depreciation	(130,696)	(101,488)
	87,873	59,211

(a) Movement in the carrying amounts for each class of plant and equipment between the beginning and the end of the current and previous financial years

Furniture, plant and equipment

Opening Balance	59,211
Additions	57,870
Depreciation	(29,208)
Closing Balance	87,873

Accounting Policy

Each class of plant and equipment is carried at cost less, where applicable, any accumulated depreciation. The carrying amount of plant and equipment is reviewed annually by the Foundation to ensure it is not in excess of the remaining service potential of these assets.

Depreciation is charged at the following rates:

Furniture, plant and equipment	5 - 10 years
Computer hardware and software	3 - 4 years

Impairment

At each reporting date, the Foundation reviews the carrying values of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. As a not-for-profit entity, value in use for the Foundation, according to AASB 136 Impairment of Assets, is depreciated replacement cost. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income. No impairment indicators were present at 30 June 2022.

Note 8: Right-of-use assets

Right-of-use assets at cost	144,930	135,285
Accumulated amortisation	(36,234)	(101,466)
	108,696	33,819

(a) Movements in carrying amounts for right-of-use assets between the beginning and the end of the current financial year:

**ROU
Assets**

Opening balance	33,819
Additions	144,930
Amortisation expense	(70,053)
Closing Balance	108,696

Accounting Policy

At inception of a contract, the entity assesses whether a contract is, or contains, a lease. A contract is considered to contain a lease if it allows the entity the right to control the use of an identified asset over a period of time in return for consideration. Where a contract or arrangement contains a lease, the entity recognises a right-of-use asset and a lease liability at the commencement date of the lease.

A right-of-use asset is initially measured at cost, which is the present value of the future lease payments adjusted for any lease payments made at or before the commencement date, plus any make-good obligations. Lease assets are depreciated using the straight line method over the shorter of their useful life and the lease term. Periodic adjustments are made for any re-measurements of the lease liabilities and for impairment losses.

Australian Rural Leadership Foundation Limited
Notes to the financial statements
30 June 2022

2022
\$

2021
\$

Note 9: Payables

Unsecured liabilities:

Creditors and accrued expenses	691,569	270,650
GST payable	332,663	599,791
	1,024,232	870,441

Accounting Policy

These amounts represent liabilities for goods and services provided to the Foundation prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Note 10: Provisions

CURRENT

Employee benefits: annual leave	191,433	132,414
Employee benefits: long service leave	69,220	9,022
Total Current Provisions	260,653	141,436

NON-CURRENT

Employee benefits: long service leave	18,004	50,777
Total Non-Current Provisions	18,004	50,777

Accounting Policy

Short-term employee benefits

Provision is made for the Foundation's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Foundation's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

The Foundation classifies employees' long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the Foundation's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligations is recognised in profit or loss classified under employee benefits expense.

Retirement benefit obligations

Defined contribution superannuation benefits

All employees of the Foundation receive defined contribution superannuation entitlements, for which the Foundation pays the fixed superannuation guarantee contribution (currently 10% of the employee's average ordinary salary) to the employee's superannuation fund of choice. All contributions in respect of employee's defined contributions entitlements are recognised as an expense when they become payable. The Foundation's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the Foundation's statement of financial position.

Australian Rural Leadership Foundation Limited
Notes to the financial statements
30 June 2022

2022
\$

2021
\$

Note 11: Unearned revenue

CURRENT

Core course revenue	1,718,960	1,411,743
DRLP revenue	3,694,751	6,868,430
Other grants and short courses	2,038,683	129,820
Course make-up costs	-	93,940
Total current unearned revenue	<u>7,452,394</u>	<u>8,503,933</u>

NON-CURRENT

Core course revenue	<u>750,440</u>	<u>382,466</u>
Total non-current unearned revenue	<u>750,440</u>	<u>382,466</u>

Accounting Policy

Unearned revenue - Courses

Prior to the commencement of a course, course fees are deferred and recognised as income received in advance when received. On commencement of a course, outstanding fees are recognised as course receivables and unearned revenue when invoiced. Course fees are generally invoiced on commencement of the course however in some instances scholarships are progressively invoiced in instalments over the term of the course.

Contract liability for Course Make-Up Costs

A contract liability is recognised by transfer from course unearned revenue to contract liabilities for course make-ups for the estimated direct course costs associated with a missed session where a participant is unable to attend a course session and is eligible to attend a future course session in order to complete the course curriculum.

Note 12: Lease liabilities

CURRENT

Lease liabilities	<u>72,435</u>	<u>35,672</u>
Total current lease liabilities	<u>72,435</u>	<u>35,672</u>

NON-CURRENT

Lease liabilities	<u>38,004</u>	<u>-</u>
Total non-current lease liabilities	<u>38,004</u>	<u>-</u>

Accounting Policy

Lease liabilities are initially measured at the present value of future minimum lease payments, discounted using the entity's incremental borrowing rate if the rate implicit in the lease cannot be readily determined, and are subsequently measured at amortised cost using the effective interest rate. Minimum lease payments include fixed payments, amounts expected to be paid under a residual value guarantee, the exercise price of purchase options for which the Foundation is reasonably certain to exercise and incorporate the entity's expectations of lease extension options.

The lease liability is remeasured when there are changes in future lease payments arising from a change in rates, index or lease terms from exercising an extension or termination option. A corresponding adjustment is made to the carrying amount of the lease assets.

The entity's leases relate primarily to the office premises.

Short term leases (lease term of 12 months or less) and leases of low value assets (\$10,000 or less) are recognised as incurred as an expense in the statement comprehensive income. The amount expensed in the statement of profit and loss and other comprehensive income in relation to short-term and low-value leases was nil (2021: \$nil).

Australian Rural Leadership Foundation Limited
Notes to the financial statements
30 June 2022

2022 **2021**
\$ **\$**

Note 13: Other Current Liabilities

Program Participant's Welfare Fund

9,359 **9,359**

The Participant's Welfare Fund has been established to provide financial assistance to those participants of the Foundation's programs who have difficulty in meeting some of the financial costs of the program.

Note 14: Related Party Disclosures

(a) Details of Key Management Personnel

Names and positions held of key management personnel in office at any time during the financial year are:

(i) Directors of Australian Rural Leadership Foundation Limited

Mr M Carroll (Chairperson)

Dr A Carr

Mr R Dulhunty

Ms M Fletcher

Mr R Sawers

Ms M Beauchamp

Ms S Admans

(ii) Executives

Mr M Linnegar (CE)

Mr L McDonald

Ms A Hogg

Mr D Brouwer

Ms P Woodhill

(b) Total Compensation

977,825 **835,451**

(c) Transactions with Director related entities

Name of the related entity	Director's Relationship	Transactions	Amounts
Australian Meat Processor Corporation	Melissa Fletcher, non executive director	Scholarship revenue (ARLP C29)	\$ 55,000
Australian Meat Processor Corporation	Melissa Fletcher, non executive director	Scholarship revenue (Agribusiness)	\$ 41,250
Fletcher International Exports Pty Ltd	Melissa Fletcher, Chief Executive Officer	Scholarship revenue (Agribusiness)	\$ 27,500
Consolidated Pastoral Company	Margaux Beauchamp, non executive director	Scholarship revenue (Agribusiness)	\$ 6,875
Paraway Pastoral Company	Michael Carroll, non executive director	Scholarship revenue (ARLP C29)	\$ 27,500

Australian Rural Leadership Foundation Limited
Notes to the financial statements
30 June 2022

Note 15: Commitments

The Foundation is committed to the following expenditure in respect of a contractual commitments receivable or payable.

	2022 \$ Receivable	2022 \$ Payable	2022 \$ Receivable/ (Payable)
Within one year:			
ARLP	670,000	-	670,000
Short courses	8,917,211	2,001,170	6,916,041
Other	-	38,234	(38,234)
	<u>9,587,211</u>	<u>2,039,404</u>	<u>7,547,807</u>
Within 1-5 years:			
ARLP	220,000	-	220,000
Short courses	4,303,004	244,302	4,058,702
Other	-	-	-
	<u>4,523,004</u>	<u>244,302</u>	<u>4,278,702</u>
Total for 2022	<u>14,110,215</u>	<u>2,283,706</u>	<u>11,826,509</u>

	2022 \$	2021 \$
Note 16: Cash flow information		
<i>Reconciliation of net cash from operating activities to net surplus</i>		
Surplus (deficit) for the year	121,780	58,024
Non-cash flows in operating surplus:		
Depreciation and amortisation	99,261	94,880
Changes in assets and liabilities:		
(Increase)/Decrease in trade and other receivables	(312,229)	139,214
(Increase)/Decrease in other current assets	(51,841)	(148,966)
Increase/(Decrease) in trade and other payables	153,791	727,828
Increase/(Decrease) in unearned revenue	(683,565)	6,316,819
Increase/(Decrease) in provisions	86,444	40,846
Net cash received from operating activities	<u>(586,359)</u>	<u>7,228,645</u>

Australian Rural Leadership Foundation Limited
Notes to the financial statements
30 June 2022

2022 **2021**
\$ **\$**

Note 17: Financial Risk Management

The Foundation's principal financial instruments comprise cash at bank, receivables, investments and accounts payable. These financial instruments arise from the operations of the Foundation.

The carrying amount for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

Financial assets at amortised cost

Cash and cash equivalents	8,480,737	8,695,129
Fixed term deposits	1,860,200	2,360,200
Receivables	505,138	192,909
Total Financial Assets	10,846,075	11,248,238

Financial Liabilities

Financial liabilities at amortised cost

Payables excluding GST payable	691,569	270,650
Total Financial Liabilities	691,569	270,650

Note 18: Subsequent Events

The impact of the Coronavirus (COVID-19) pandemic is ongoing. It is not practicable to estimate the potential impact, positive or negative, after the reporting date.

The Directors are not aware of any other matter or circumstance that has arisen since the balance date that has significantly affected the state of affairs of the Foundation.

Note 19: Company details

The Foundation is a public company limited by guarantee. If the Foundation is wound up, the constitution states that each member and each member who ceased to be a member in the preceding year is required to contribute a maximum of \$10 each towards meeting any outstanding's and obligations of the Foundation. At 30 June 2022 the number of members was 886 (2021: 852).

The registered office and principal place of business of the company is: 1st Floor, Forest Industries House, 24 Napier Close, Deakin ACT 2600.

Note 20: Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by RSM Australia Partners:

Audit of the financial statements	12,500	11,500
Compilation of financial statements	1,500	1,500
Audit of grant acquittals	1,500	1,500
	15,500	14,500

DIRECTORS DECLARATION

In the Directors' opinion:

- the attached financial statements and notes comply with the Australian Accounting Standards - Simplified Disclosures, the Australian Charities and Not-for-profits Commission Act 2012 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Foundation's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors.



Mr Michael Carroll
Chair



Mr Rick Sawers
Chair Audit and Risk Committee

Date: 19 October 2022



RSM Australia Partners

Equinox Building 4, Level 2, 70 Kent Street Deakin ACT 2600
GPO Box 200 Canberra ACT 2601

T +61(0) 2 6217 0300
F +61(0) 2 6217 0401

www.rsm.com.au

INDEPENDENT AUDITOR'S REPORT To the Members of Australian Rural Leadership Foundation Limited

Opinion

We have audited the financial report of Australian Rural Leadership Foundation Limited, which comprises the statement of financial position as at 30 June 2022, Statement of profit or loss and other comprehensive income, the statement of financial position, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by those charged with governance.

In our opinion, the financial report of Australian Rural Leadership Foundation Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the registered entity's financial position as at 30 June 2022 and of its financial performance and cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards- Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Australian Rural Leadership Foundation Limited in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in Australian Rural Leadership Foundation Limited's annual report for the year ended 30 June 2022, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Report

The Directors of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards- Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing Australian Rural Leadership Foundation Limited's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Australian Rural Leadership Foundation Limited or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

A handwritten signature in black ink that reads 'RSM'.

RSM AUSTRALIA PARTNERS

A handwritten signature in black ink that reads 'Ged Stenhouse'.

Ged Stenhouse
Partner

Canberra, ACT
Dated: 19 October 2022





AUSTRALIAN RURAL LEADERSHIP FOUNDATION





3/24 Napier Close Deakin ACT 2600

PO Box 298 Deakin West ACT 2600

T. (+61) 2 6281 0680

E. info@rural-leaders.org.au

W. rural-leaders.org.au

-  @australianruralleadershipfoundation
-  @ARLFNews
-  @ruralleaders_au
-  Australian Rural Leadership Foundation

