



Australian  
**Rural Leadership**  
Foundation

Leading the Nation

# ANNUAL REPORT

2012-2013



DEVELOPING LEADERSHIP EXCELLENCE TO BUILD A RESILIENT RURAL AUSTRALIA



## VISION

A well led resilient  
rural Australia

## GOAL

Rural Australia is  
economically, socially and  
environmentally healthy,  
viable and resilient

## MISSION

Developing leadership  
excellence to build a resilient  
rural Australia

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*Directory Australian Rural Leadership Foundation Limited*  
ABN 80 056 874 787

<b>Patron</b>	The Honourable Major General Michael Jeffery, AC, AO(Mil), CVO, MC (Retd)
<b>Auditors</b>	Moore Stephens Canberra Audit P/L
<b>Accountants</b>	Halletts Chartered Accountants
<b>Bankers</b>	Westpac, ACT
<b>Solicitors</b>	KJB Law, ACT
<b>Registered Office</b>	1st Floor 24 Napier Close Deakin ACT 2600 Telephone 02 6281 0680 Facsimile 02 6285 4676 Email <a href="mailto:info@rural-leaders.com.au">info@rural-leaders.com.au</a> Website <a href="http://www.rural-leaders.com.au">www.rural-leaders.com.au</a>

## AUSTRALIAN RURAL LEADERSHIP FOUNDATION STAFF

### Chief Executive

Dr Lesley Fitzpatrick

### Manager – Leadership, Evaluation, Development

Dr Jenny Andrew

### Manager – Leadership Education Programs

Karim Haddad

### Business Manager, Company Secretary

Jane Healey

### Manager – Short Courses

Zoë Routh

### Manager – Sponsor Relations & Projects

Philippa Woodhill

### Sponsor Relations & Projects Officer

Andrea Hogg (from September 2012)

### Communications Officer

Rachelle Etienne-Breidenbach (left  
October 2012)

Claire Delahunty (from January 2013)

### Program Co-ordinator

Bianca Jurd

### Executive Assistant and Administration Officer

Annette Bunfield (left February 2013)

### Executive Assistant and Bookkeeper

Jan James (from September 2012)

### Course Administrator – Short Courses and Network

Jillian Emerson

### Course Administrator – Education Programs

Li-er Kendall (left November 2012)

Isobel Ferrier (from January 2013)

### Bookkeeper

Wendy Rayner (left June 2013)



## CHAIR'S REPORT 2012-2013

### WENDY CRAIK AM

This year the Foundation is on the cusp of its 21st year – a symbolic milestone – and one that has been accompanied by a degree of reflection about how the Foundation has evolved and what it has managed to achieve. This reflection, driven by researching and writing a history of the Foundation which will be launched at the graduation of ARLP Course 19, showcases the success and impact that a vision and collaborative action can have in rural Australia. Over the last 21 years the Foundation and its fellows have provided leadership, inspiration, innovation and effective solutions in a multitude of spheres. The Board is committed to continuing to support this important work.

The Board's primary business aim continues to be achieving greater financial independence from the Foundation's annual cycle of securing sponsorships, in order to strengthen its viability. In the 2012-13 financial year, the consolidation of the Foundation's income base continued with success as a diverse array of customised programs for industry clients were successfully tendered for and completed.

The Board remained committed to another important strategy for most of the financial year – the capital fundraising project which commenced in 2011-12. In March 2013, given the challenging financial climate, it was put on hold in order to manage

the financial risk associated with resourcing this activity from the Foundation's reserve funds.

Given that the Foundation has passed the twenty year mark, the Board had several discussions on the need to undertake a longitudinal evaluation to enable us to tell the story of the Foundation and to enhance the information we have on hand when seeking to secure support from sponsors, donors and funding bodies. This activity will be the focus of considered work in the next year.

Meeting fellows and graduates of the Foundation on my travels continues to be an enjoyable component of my role. These encounters bring home to me the power of sharing stories and the significant leadership work being undertaken by our network all over the country.

This enthusiasm is mirrored in the dedication of the staff and Board, who are committed to building a more resilient and vibrant rural Australia through the professionalism and quality of our programs. My thanks go to Foundation Chief Executive Lesley Fitzpatrick and her team. I'd also like to thank our very supportive Patron, the Honourable Major General Michael Jeffery.

Equally integral to a thriving Foundation are my fellow directors who participated in the governance of the Foundation during the 2012-13 financial year. Their diverse backgrounds and experiences make for a dedicated and effective group and I would like to acknowledge their work and support. I would like to thank retiring Governor Director John Wilson, who completed his term on the board

in November 2012. John's wisdom and experience were invaluable on the Board and in the work of the Finance and Audit Committee and we miss his contribution.

As Chair, I have continued to appreciate the support of directors Barb Madden, Snow Barlow, Susi Tegen and Lockie McDonald. I'd also like to welcome our two new directors, Craig Burns, who joined us in November 2012 and Rob Hadler who came on board in June 2013. As Managing Director of the Rural Industries Research and Development Corporation, Craig brings great expertise and further strengthens the collaborative ties between our organisations. We expect that Rob Hadler, as Coles' Manager of Corporate Affairs, will provide new perspectives on our operations and opportunities.

My sincere thanks also go to our members, sponsors and donors. Their support and commitment drive the work and success of the Foundation. Their loyalty is critical to its work and success.

I look forward to the achievements that lie ahead in the year to come.

**Dr Wendy Craik AM, Chair**

Australian Rural Leadership  
Foundation



## CHIEF EXECUTIVE'S REPORT 2012-2013

### EXTENDING OUR REACH AND EFFECTIVENESS

For the first time the Australian Rural Leadership Program (ARLP) cohort could not strictly be described as 'Australian' rural leaders. Thanks to a scholarship provided by the Australian Council for International Agricultural Research (ACIAR), Rufina Peter a senior officer with the Papua New Guinean Institute of National Affairs, became our first international participant.

This development is a natural part of the Foundation's evolution as we continue to look to cooperation and leadership in the wider region. It will be exciting to see where this takes us in the future.

The Foundation welcomed new and continuing ARLP sponsors including Health Workforce Australia providing two scholarships on Course 20 and the Department of Health and Ageing, providing one for a rural health practitioner. James Cook University, the Sidney Myer Fund and the Myer Foundation also invested in leadership development by funding ARLP scholarships.

The effectiveness of the ARLP has never been in doubt, and the results of the pre- and post- testing of participants using the Washington University Sentence Completion (WUSC) test underscore this dramatically. This psychometric test assesses participants against a developmental leadership model that defines the attributes and capacities associated with leadership maturity. Most individuals take three to five years to progress a developmental stage. WUSC post testing of ARLP



graduates indicate that a number of our leaders progress up to two stages on the leadership model, compressing six to eight years of growth as a leader into 17 months.

The Foundation continues to conduct its short program offerings with TRAIL providing a rich experience for emerging leaders and TRAILblazers offering extension of knowledge and skills for seasoned leaders. This year we have been pleased to deliver a full schedule of client focused programs customised to address the leadership development needs of sectors, industries, organisations, communities or issues. These tailored programs have quickly earned a reputation for their unique approach and efficacy.

Clients this year included: Blackwood Corporation; Grape and Wine Research and Development Corporation, Wine Australia, Wine and Grape Growers' Association and Winemakers Federation of Australia; Rice Growers' Association; Rural Industries Research and Development Corporation; and the Torres Strait Regional Authority.

### SUPPORTING OUR NETWORK OF LEADERS

The work of the Foundation and the efforts of our hundreds of rural leaders continue to make their mark and the Foundation's LEAD network continues to grow. The Foundation is particularly pleased to be able to extend the opportunity of obtaining a university qualification to past participants of the ARLP. Following the official academic accreditation of the ARLP by James Cook University, Jennifer Andrew developed and taught the first semester subject of the Graduate Certificate of Australian Rural Leadership for 11 ARLP alumni who have chosen to take advantage of the opportunity of gaining a university qualification based on their previous participation in the ARLP.

## BUSINESS DEVELOPMENT

The Foundation has invested in its capacity to undertake a capital fundraising campaign and our knowledge and understanding of using our DGR for future resourcing and strategic positioning has grown significantly. A Foundation-specific approach to fundraising has been developed and will provide a blueprint for future activity and the requirements and options regarding appropriate governance and legal structures have been explored and finalised.

The active engagement of fellows in this process has been highly beneficial and has opened up networks and approaches that are important to the Foundation's future.

This work has resulted in a clarification of the Foundation's role, message, branding and image which have underpinned a suite of promotional materials, including a DVD, that has been developed. A Foundation Prospectus is in the final stages of design and will provide a tool for conveying the work, purpose and results delivered by the Foundation. It will be invaluable in my meetings with industry peers and prospective sponsors.

Also in the design phase is a new website for the Foundation which will reflect the evolution of our branding and provide an up-to-date, user friendly platform to boost our interaction with stakeholders and continue to promote our work. It will be the hub for our increasing use of social media including Twitter and Facebook.

## THE FOUNDATION TEAM

Our small team, operating in what continues to be challenging financial conditions, work tirelessly to better the Foundation, its programs and products and the role it and its fellows and graduates play throughout Australia and further afield. For this I wish to thank them wholeheartedly.

The hard work of staff has contributed to a swathe of positive results – consistent high-quality program delivery, the growth of relationships with key stakeholders, leaders supported in rural communities and industries and additional financial support secured for our work.

Jane Healey continued as the Foundation's Business Manager and Jan James replaced Annette Bunfield, who resigned as Executive Assistant. Jan James also took on the duties of Wendy Rayner, who left the position of book keeper in June this year.

Andrea Hogg joined the Foundation in September 2012, finishing in her role of Sponsor Relations and Projects after 12 months when Philippa Woodhill returned from parental leave and resumed managing this area.

Jennifer Andrew continues in the position of Manager of Leadership Evaluation and Development.

Claire Delahunty joined us in the position of Communications Officer, replacing Rachelle Etienne-Breidenbach, who moved to Sydney.

Programs Course Administrator, Li-er Kendall, departed to take on other challenges after four years with the Foundation and was replaced by Isobel Ferrier. Jillian Emerson continued in her role as Program Administrator.

After five years with the Foundation, Karim Haddad moved to part-time work at the end of the financial year to phase out gradually from his role as Manager of Education Programs, enabling the Foundation to employ its succession strategies to manage this process. The other members of the program delivery team, Zoe Routh (Manager of Short Courses) and Bianca Jurd (Program Coordinator) continued to provide high quality program management and facilitation services.

## BOARD CONTRIBUTION

Over the year, it has been gratifying to look back on the fulfillment of our purpose and exciting to look ahead to the next phase. As well as acknowledging a wonderful team of directors, I would like to thank the Chair, Dr Wendy Craik. Wendy's wisdom and support are invariably there when needed; she is a wonderful asset to the Foundation and an exemplary leader of the Board. Few realise the amount of behind the scenes work Wendy does to support me and the Foundation and I say without reservation that without her support, my job would be, at times, very difficult.

The diversity of the Board itself, with its remarkable mix of talented individuals brings a great deal to the Foundation. I would like to thank each board member for their time, expertise and commitment.



**Dr Lesley Fitzpatrick**  
Chief Executive  
Australian Rural Leadership  
Foundation

## AUSTRALIAN RURAL LEADERSHIP FOUNDATION HIGHLIGHTS 2012-2013

### BACK TO THE KIMBERLEY

A number of activities were part and parcel of kicking off our 21st birthday celebrations. The most notable was the Back to the Kimberley (B2K) week. In all, 25 people took part including fellows and family members. As well as the essential components of a Kimberley experience (caving, abseiling and walking in the heat of the sun), the group contributed to a project for the Mimbi community. At the community's request, Course 20 had planted an orchard as part of their program so the B2K group installed the irrigation system to keep the trees healthy and productive.

Fellow, Ian Crook who attended with his wife, Pam, sums it up well:

*"The days at Mimbi were memorable. Karim and Colin and their teams did a very professional job. Their encouragement and their ability to instill confidence was very much appreciated. We enjoyed ourselves, were challenged (again!), and we hope made a useful contribution to the communities with the irrigation projects. There is no doubt that the Foundation over 20 years has helped to form a group of people with the ability to work together, share their thoughts and experiences openly, and uphold important values."*



### AUSTRALIAN RURAL LEADERSHIP PROGRAM

#### COURSE 18

Course 18 of the Australian Rural Leadership Program graduated in Launceston in September 2012. The participants reported insights and perspectives that have changed their lives.

*"Since completing Course 18, I have experienced a broadening of my perspective on issues and learnt to seek out common ground rather than identifying differences. The Program covers such a broad scope of capabilities."* Brett Hall, Tasmania.

#### COURSE 19

ARLP Course 19 were intrigued and moved by their program session in India, finding inspiration in the communities and organisations they visited. Participants heard from Dr Baskar Reddy, head of Agriculture, Federation of Indian Chamber of Commerce and Industry, met with agricultural entrepreneurs and shared their experiences with Dr Kiran Bedi, a respected and integral part of the field study experience.

#### COURSE 19 CASE STUDY

Course 19 undertook a challenging case study in Tamworth, New South Wales, where they examined ethics in food production.

#### COURSE 20

Twenty nine rural leaders have been selected through a competitive national selection process to take part on Course 20. The talented and diverse participants completed the first session of the ARLP.

#### TRAIL

The 8-day cross sector leadership program for emerging rural leaders took place twice in the 2012-13 financial year, engaging 14 participants in September 2012, and nine participants in April 2013. These leaders came from employers and organisations in an array of sectors.

### CLIENT SPECIFIC PROGRAMS

#### BLACKWOOD CORPORATION'S LEADERSHIP CAPACITY BUILDING PROGRAM

Funded by junior coal exploration company, Blackwood Corporation, this program enabled 14 participants to explore leadership thinking, build rapport and understanding and collaborative solution-finding in a region rife with challenges. It proved to be one of the most innovative and successful pilot programs the Foundation has run for cross-sector community capacity building.

#### EMERGING LEADERS OF THE RICE INDUSTRY

In 2012 the Rice Growers' Association selected fifteen future leaders of the rice industry to participate in a seven-day, two-session program. The objectives were to deepen understanding and aptitude for flexible and responsive leadership, develop skills of effective leadership, and foster ongoing relationships, peer support and networks across the industry. The participants included rice farmers, representatives from the Murray Darling Basin Authority, Murray Irrigation and the Commonwealth Environmental Water Office.

#### FUTURE LEADERS OF THE WINE INDUSTRY

The 2012 Futures Leaders group was the third cohort of the triennial program to take part in the Foundation-facilitated program. The initiative is funded jointly by the Winemakers' Federation of Australia, Wine and Grape Growers' Association, Wine Australia and Grape and Wine Research and Development Corporation. Fifteen future leaders were selected, representing all aspects of the value chain.



### RURAL INDUSTRIES RESEARCH AND DEVELOPMENT CORPORATION RURAL LEADERS PROGRAM

A group of 13 individuals from 12 new, developing or maturing Australian agricultural industries, met in Canberra in March to undertake the first RIRDC Rural Leaders program. The eight-day leadership program was the first of its kind sponsored by Rural Industries RDC and will continue to be held biennially.

### TORRES STRAIT YOUNG LEADERS PROGRAM

This is the third year in which the Torres Strait Regional Authority (TSRA) has supported 18 to 24 year olds from the Torres Strait to attend a residential leadership program in Canberra and surrounding areas. During December 2012, Joseph Sedan from Horn Island and Cynthia Tapim and Thelma Savage from Thursday Island completed the program. Foundation staff provided two orientation days focusing on perspectives on the Torres Strait, its leaders and its contribution to the nation, both past and present. The participants then joined a group of other developing leaders in an open enrolment leadership program provided by Outward Bound Australia.

### LEAD NETWORK

#### GRADUATE CERTIFICATE OF AUSTRALIAN RURAL LEADERSHIP (JAMES COOK UNIVERSITY)

In February 2013, a cohort of 11 ARLP graduates participated in the first semester of the Graduate Certificate of Australian Rural Leadership. Considerable work was undertaken during the 2012-13 year writing and teaching the two subjects that form the Grad Cert. Socially Responsible Leadership was the subject undertaken in semester one and all 11 students passed in June 2013. The certificate is offered to fellows of the Foundation and comprises two subjects, the second of which is Rural Leadership in Practice.

### THE HISTORY PROJECT

Work commenced on researching and writing the history of the Foundation which will be launched in September 2013. Jennifer Andrew led this project and coordinated and facilitated input from fellows and individuals who have been instrumental in the Foundation's development.

### LEAD NETWORK DAYS

A LEAD Day was held in Launceston following ARLP Course 18 graduation. The speakers were Dr Ian Robottom of Deakin University and Paul Ryan of Interface NRM. Paul spoke on the topic of resilience thinking, and Ian provided community case studies from the Yukon and South Africa, demonstrating leadership processes that can be undertaken when contested values are apparent.

### REGULAR PUBLICATIONS

The Network-E continued to be delivered to the membership by email on a twice-monthly basis. Readership over the 2013 period averaged over 35 per cent of total membership. The *Rural Leader*, the Foundation's annual publication, highlighted the work of the Foundation and its fellows over the last 12 months.

### ABARES OUTLOOK CONFERENCE

The Foundation joined again with Nuffield to provide speakers for the final session at the ABARES National Outlook conference. Members of the

Foundation's network also contributed to Regional Outlook conferences held throughout Australia.

### AUSTRALIAN FARMER OF THE YEAR AWARDS

The winner of the Australian Farmer of the Year Award in September 2012 was a Foundation graduate, Peter Kuhlmann. Peter is a graduate of ARLP Course 6.

### A VERY RURAL CHRISTMAS

A Very Rural Christmas project was coordinated by the Foundation for the first time in December 2012. GRDC staff in Canberra contributed small gifts that were distributed to children in the Finley-Tocumwal area of NSW, through charity organisations nominated by Ted Hatty, ARLP Course 15 graduate.

### A FAIR GO FOR KIDS

Network members are also contributing to 'A Fair Go For Kids', a project undertaken through Kim Russell and ARLP Course 2. The project involves a number of members who are helping to establish a children's education and training centre in Zimbabwe.

### RESOURCES TO RURAL LEADERS

This project continued in 2013 with books, sporting equipment and other resources sent to many projects throughout Australia where our members are engaged. To date, more than 50 packages have been sent.



## OUR INVESTORS

The Australian Rural Leadership Foundation values the contribution of our sponsors, donors and other key supporters.

ORGANISATION NAME	SUMMARY OF INVESTMENT
Alkane Resources Ltd	ARLP Course 18
Auscott Limited	ARLP Course 19, 20
Australian Centre for International Agricultural Research (ACIAR)	ARLP Course 20
Australian Egg Corporation	TRAIL 2013
Australian Government Department of Agriculture, Fisheries and Forestry (DAFF)	ARLP Course 18, 19, 20
Australian Government Department of Health and Ageing	ARLP Course 18, 20
Australian Government Department of Human Services	ARLP Course 18
Australian Indigenous Leadership Centre	TRAIL 2013
Australian Lot Feeders Association	ARLP Course 18, 19, 20
Australian Meat Processor Corporation	ARLP Course 18, 19, 20 TRAIL 2012
Australian Pork Limited	ARLP Course 18, 20
Australian Wool Innovation	ARLP Course 19
Blackwood Corporation	Blackwood Corporations' Leadership Capacity Building Program
Cooperative Bulk Handling Ltd	ARLP Course 19
Cotton Australia	ARLP Course 19, 20
Cotton Research & Development Corporation	ARLP Course 19, 20
Dairy Australia Limited	ARLP Course 19, 20
Department of Environment & Primary Industries - VIC	ARLP Course 18, 19, 20 TRAIL 2012
Elders Rural Services Limited	ARLP Course 19
Fairfax Agricultural Media	ARLP Course 18, 19, 20
Fisheries Research and Development Corporation	ARLP Course 18, 19, 20
Fletcher International Exports	ARLP Course 18
Grains Research and Development Corporation	ARLP Course 18, 19, 20
Grape and Wine Research and Development Corporation	ARLP Course 18 Wine Industry Future Leaders' Program 5

ORGANISATION NAME	SUMMARY OF INVESTMENT
Health Workforce Australia	ARLP Course 20
James Cook University	ARLP Course 19, 20 TRAIL 2013
Landmark	TRAIL 2013
Meat and Livestock Australia	ARLP Course 18, 19, 20
Mt Isa Centre for Rural & Remote Health (JCU)	ARLP Course 19 TRAIL 2012
Oyster Farmers Pty Ltd	TRAIL 2012
Ricegrowers Association of Australia Inc	Ricegrowers' Association Emerging Leaders' Program
Rural Australia Medical Undergraduate Scholarship Scheme (RAMUS)	TRAIL 2012
Rural Industries Research and Development Corporation	ARLP Course 18, 20 TRAIL 2012, 2013 RIRDC Rural Leaders' Program
Santos	ARLP Course 18
Sidney Myer Fund & The Myer Foundation	ARLP Course 19
Sugar Research & Development Corporation	TRAIL 2012
Telstra	ARLP Course 18, 19
Tim Fairfax Family Foundation	ARLP Course 18, 19, 20
Torres Strait Regional Authority	ARLP Course 18, 19, 20 TRAIL 2012, 2013 Torres Strait Young Leaders' Program 2012
Vincent Fairfax Family Foundation Ltd	ARLP Course 18, 19, 20
Westpac Banking Corporation	ARLP Course 18 TRAIL 2013
Wine Australia	Wine Industry Future Leaders' Program 5
Wine & Grape Growers' Association	Wine Industry Future Leaders' Program 5
Winemakers Federation of Australia	Wine Industry Future Leaders' Program 5
Woolworths Limited	ARLP Course 18, 19, 20



Alkane Resources Ltd



Auscott Limited



Australian Centre for International Agricultural Research (ACIAR)



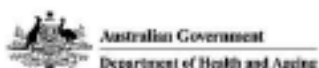
Australian Egg Corporation



Australian Government Department of Agriculture



Australian Government Department of Health and Ageing



Australian Government Department of Human Services



Australian Indigenous Leadership Centre



Australian Lot Feeders Association



Australian Meat Processor Corporation



Australian Pork Limited



Australian Wool Innovation



Blackwood Corporation



Cooperative Bulk Handling Ltd



Cotton Australia



Cotton Research & Development Corporation



Dairy Australia Limited



Department of Environment & Primary Industries - VIC



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Elders Rural Services Limited




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Fairfax Agricultural Media




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Fisheries Research and Development Corporation




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Fletcher International Exports




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Grains Research and Development Corporation




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Grape and Wine Research and Development Corporation




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Health Workforce Australia




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James Cook University




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Meat and Livestock Australia




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Mt Isa Centre for Rural & Remote Health (JCU)




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Oyster Farmers Pty Ltd




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Ricegrowers' Association of Australia Inc




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Rural Australia Medical Undergraduate Scholarship Scheme (RAMUS)




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Rural Industries Research and Development Corporation




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Santos




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Sidney Myer Fund & The Myer Foundation




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Sugar Research & Development Corporation



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Telstra




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Wine Australia




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Tim Fairfax Family Foundation




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Wine & Grape Growers' Association




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Torres Strait Regional Authority




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Winemakers Federation of Australia




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Vincent Fairfax Family Foundation Ltd




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Woolworths Limited




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Westpac Banking Corporation





## THE DIRECTORS



**DR WENDY CRAIK AM**  
CHAIR

Dr Wendy Craik AM is a Commissioner with the Productivity Commission. She has held many senior positions including Chief Executive for the Murray-Darling Basin Commission (MDBC), President of the National Competition Council, Chair of the Australian Fisheries Management Authority, Executive Director of the National Farmers Federation and Executive Officer of the Great Barrier Reef Marine Park Authority. She is currently a Board member of Dairy Australia, Deputy Chancellor at the University of South Australia and Chair of the NSW Marine Estate Management Authority.



**PROFESSOR SNOW BARLOW**

GOVERNOR DIRECTOR

Prof Barlow is Foundation Professor of Horticulture and Viticulture at the University of Melbourne where he convenes the Primary Industries Research Adaptation Network of the National Climate Change Adaptation Research Facility. He currently chairs the Expert Panel of the DAFF Carbon Farming Futures RDE program. The Victorian Endowment for Science Knowledge and Innovation (VESKI) and is a member of the Australian Landcare Council.



**MR CRAIG BURNS**  
GOVERNOR DIRECTOR

Mr Craig Burns is the Managing Director of the Rural Industries Research and Development Corporation, and has extensive experience working with international organisations including the UN Food and Agriculture Organisation and the OECD.

From 1999-2002 Craig was Minister-Counsellor (Agriculture) at the Australian Delegation to the OECD and chaired the International Grains Council from 2001 to 2002. He was Vice-Chair of the OECD Committee for Agriculture and Chair of the OECD Joint Working Party on Agriculture and Trade. Craig, who is a former teacher, holds a Master of Economics, a Bachelor of Arts degree and Diploma of Education.



**MR ROBERT HADLER**  
GOVERNOR DIRECTOR

Mr Rob Hadler is Manager of Corporate Affairs for Coles Supermarkets, and has an extensive background in public policy, government relations and media.

A former economics correspondent at The Australian, Rob has worked as General Manager of Corporate Affairs for AWB, head of Group Corporate Affairs at the National Australia Bank,

was Deputy Director of the National Farmers' Federation and head of Corporate Affairs with Goodman Fielder.

He has also been a Director of the Australian Future Directions Forum and the Australasian Investor Relations Association as well as a member of the National Greenhouse Advisory Panel and Landcare Advisory Committee. Rob holds a Bachelor of Economics (Hons) from Monash University.

**MS BARB MADDEN****FELLOW DIRECTOR**

Ms Barb Madden was the 2009 Queensland Rural Woman of Year. She has completed the Australian Institute of Company Directors Course and is a graduate of the Australian Rural Leadership Program (Course 14). Barb is a partner and Chief Financial Officer of Smithfield Feedlot, a large cattle feeding enterprise in South East Queensland.

**MR LACHLAN McDONALD****FELLOW DIRECTOR**

Mr Lachlan "Lockie" McDonald is a graduate of the Australian Rural Leadership Program (Course 17). Lockie is the founder of consulting group Fullsky, which works with communities and organisations to manage change. Lockie's diverse professional portfolio also includes being a director of a reconciliation project in South Africa, a career as a nurse, a writer, a circus acrobat and a founder of one of Australia's flagship performing and community arts companies. Lockie is a graduate from Curtin University with a Bachelor of Arts Majoring in Journalism and Creative Writing.

**MS SUSI TEGEN****FELLOW DIRECTOR**

Ms Susi Tegen is a graduate of the Australian Rural Leadership Program (Course 9). In 2009, she was the South Australian Telstra Nokia Innovation Business Woman of the Year and SA's Rural Australian Woman of the Year. Susi is currently on the Board of Sight for All, Health First Network and the Canberra Eye Hospital as well as a member of the Finance and Audit Committee Member of Health First Network.

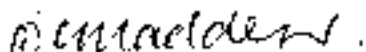
## REPORT FROM THE FINANCE AND AUDIT COMMITTEE CHAIR

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The Foundation reports a deficit for the year ended 30th June 2013 of \$ 102,181, a better result than anticipated. This year saw a downturn in short course activity which, along with lower interest rates, had an impact on our income. However, the Finance and Audit Committee and the Board is comfortable the Foundation is aligning itself with its strategic objectives, is remaining within budgeted guidelines and is proactive in the management of financial and other risks. Our auditors returned an unqualified audit again this year.

I'd like to thank the members of the Finance and Audit Committee for their conscientiousness and diligence and welcome Craig Burns, who replaced John Wilson as a committee member.

The Foundation remains well placed financially to deliver on its vision of developing leadership excellence to build resilient rural industries and communities.



**Barb Madden**

Director, Australian Rural Leadership Foundation  
Chair, Finance and Audit Committee



**AUSTRALIAN RURAL LEADERSHIP FOUNDATION LIMITED ABN 80 056 874 787****DIRECTORS' REPORT**

The directors of the Australian Rural Leadership Foundation Limited present their report for the financial year ended 30 June 2013.

**DIRECTORS**

The directors of the Australian Rural Leadership Foundation during the 2012-2013 financial year, up to the date of this report, were:

Dr Wendy Craik  
 Professor Snow Barlow  
 Ms Barbara Madden  
 Mr John Wilson (resigned on 16 November 2012)  
 Ms Susi Tegen  
 Mr Lachlan McDonald  
 Mr Craig Burns (appointed on 16 November 2012)  
 Mr Robert Hadler (appointed on 28 June 2013)

Directors have been in office since the start of the financial year to the date of this report unless otherwise noted in the list above.

**DIRECTORS' BENEFITS**

During or since the financial year, no director of the Foundation has received, or become entitled to receive, a benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by directors shown in the consolidated accounts) by reason of a contract made by the Foundation 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.

**PRINCIPAL ACTIVITIES**

The principal activity of the Foundation during the financial year 2012-2013 was the development and delivery of programs that support and develop leadership in, and for rural Australia including:

- the Australian Rural Leadership Program for established leaders
- Training Rural Australians in Leadership (TRAIL) for emerging leaders
- TRAILblazers for experienced leaders working in complex contexts
- client-specific short courses for particular groups or industries
- the engagement and enhancement of the Australian Rural Leadership Foundation's leadership network of graduates and members, and
- the establishment of an Endowment Fund aimed at improving investment in rural leadership through increasing philanthropic support for the Foundation's role and programs.

**SHORT-TERM and LONG-TERM OBJECTIVES**

The Foundation's short-term objectives are: To identify, develop and motivate leaders in, and for rural, regional and remote Australia by:

- securing investment for the development of leadership in rural, regional and remote Australia
- recruiting, developing and graduating up to 30 leaders each year from the Australian Rural Leadership Program

- increasing the Foundation's range of rural leadership development opportunities by offering TRAILblazers for experienced rural leaders and TRAIL for emerging rural leaders
- responding to specific leadership development needs by providing client-specific leadership development programs for industries, issues or groups to develop leadership in particular sectors, groups or issues
- administering and developing the LEAD Network of graduates and members to facilitate interaction, collaboration and leadership engagement, and to provide support and development opportunities.

The Foundation's long-term objective is that:

**Rural, regional and remote Australia is economically, socially and environmentally healthy, viable and resilient.**

## STRATEGIES

To achieve its stated objectives, the Foundation has adopted the following strategies:

- To secure investment to advance the leadership capacity of rural Australia through sponsorship, donation and fee-for-service arrangements
- To develop a network of rural leaders who are:
  - skilled and effective in their roles
  - acting with integrity and upholding ethical standards
  - collaborative and supportive of each other
  - solutions focussed
  - committed to sustainable leadership practice
  - actively developing future leaders
  - influential in the national agenda
  - valued and respected
- To provide high quality leadership development products, including:
  - the Australian Rural Leadership Program
  - Training Rural Australians In Leadership (TRAIL) for emerging leaders
  - TRAILblazers for mature, seasoned leaders
  - Tailored programs for clients addressing specific issues or groups
- To support engagement in rural leadership and the professional development of leaders by
  - offering rural engagement and leadership development opportunities
  - maintaining and developing the Leadership Engagement and Development (LEAD) Network
  - involving the Foundation, its fellows and associates, in practical and policy-based initiatives that optimise, support and promote rural leadership.

## NON-FINANCIAL PERFORMANCE MEASURES

The financial performance of the organisation is demonstrated through the financial statements which provide the measure used to assess the Foundation's goal of securing investment and allocating resources for the purpose of the development of rural leaders.

The Foundation measures its non-financial performance through the use of quantitative and qualitative methods with a predominance of qualitative methods due to the values-based and contextual nature of the leadership work undertaken.

The following data represents the first year of benchmarking used to assess whether the Foundation's short-term and long-term objectives are being met. Benchmarking is set based on the last five years. The prior years' (2011 and 2012) performance is provided for comparison.

For all ARLP cohorts, participants are afforded a two course period within which they can complete their program if they miss a session. Hence, all references to ARLP course graduates include participants from previous courses and the course number refers to the majority of course graduates.

Performance measure	2013 Actuals	Benchmark (based on last 5 years) **	2012 Actual	2011 Actual
Investment for the development of rural leaders	Refer to relevant Financial Statements			
Number of leaders recruited through the ARLP	29 (ARLP C20)	31.4	32 (ARLP C19)	32 (ARLP C18)
Number of leaders graduating from the ARLP	29 (ARLP C18)	31.8	30 (ARLP C17)	30 (ARLP C16)
Number of leaders graduating from TRAIL	21 (TRAIL 2012/ TRAIL April 2013)	8	10 (TRAIL 2012)	10 (TRAIL 2011)
Number of leaders graduating from TRAILblazers	0	8	6 TRAILblazers 2012)	6 (TRAILblazers 2012)
Number of leaders completing client-specific programs	5 programs	2 programs	2 programs	2 programs
	59 completers (BWD, Rice, TRSA, Wine, RIRDC)	10 completers per program	10 completers (Telstra Foundation 2011; TSRA 2011)	10 completers (Telstra Foundation 2011; TSRA 2011)
Graduate Certificate*	30 (Pilot with ARLP C18)	N/A	N/A	N/A
Percentage of member interaction with the Foundation (as % of membership)	35.25%	28%	32.14%	25.52%

\*All ARLP Course 18 participants were enrolled in a pilot Graduate Certificate of Australian Rural Leadership.

\*\*For ARLP the benchmark is based on the average over the previous 5 years.



# INFORMATION ON DIRECTORS

SPECIAL SKILLS	SPECIAL SKILLS
<b>Dr Wendy Craik</b> BSc (Hons) PhD (Zoology) Grad Dip Mgt Appointed special skills director on 15 November 2010 and Chairperson on 1 January 2011; reappointed on 16 November 2012.	<b>Mr Robert Hadler</b> BEc (Hons) Appointed special skills director on 28 June 2013.
GOVERNOR MEMBERS	FELLOW MEMBERS
<b>Prof Edward (Snow) Barlow</b> B.Rur.Sc (Hons) M.Rur.Sc PhD Elected as director on 15 November 2010.	<b>Ms Barbara Madden</b> BBus (Accounting) FARLF Elected as director on the 19 November 2009; reappointed on 16 November 2012.
<b>Mr John Wilson</b> BEc (Hons) Grad Dip Ed FAICD Appointed special skills director on 27 June 2008; reappointed on the 13 November 2008. Elected a Governor Member of the Board on the 19 November 2009, resigned 16 November 2012.	
<b>Mr Craig Burns</b> BA (Economic Geography) Grad Dip Ed MA (Economics) Appointed as a Governor Member of the Board on 16 November 2012.	<b>Mr Lachlan McDonald</b> BA (Eng) RN FARLF Elected as a director on 8 November 2011.
	<b>Ms Susi Tegen</b> MBA BA Grad Dip Ed FARLF Elected as director on 15 November 2010.

During the year, the Foundation held four Board meetings and four Finance and Audit Committee meetings. Directors attended meetings as follows:

DIRECTOR	BOARD MEETINGS	FINANCE AND AUDIT COMMITTEE
Dr W Craik	4 (4)	-
Prof S Barlow	4 (4)	-
Ms B Madden*	4 (4)	4 (4)
Mr. J Wilson*	2 (2)	2 (2)
Ms S Tegen*	4 (4)	3 (4)
Mr L McDonald	4 (4)	
Mr Craig Burns*	2 (2)	2 (2)
Mr Robert Hadler	1 (1)	

\* Finance and Audit Committee members

## OPERATING RESULT

The deficit for the financial year was \$102,181.

## REVIEW OF OPERATIONS

For a detailed review of operations, members should refer to the Chief Executive's Report.

## CHANGES IN THE STATE OF AFFAIRS

In the opinion of the directors, there were no significant changes during the reporting period in the state of the affairs of the Foundation, other than those disclosed in this report and the accounts.

## SUBSEQUENT EVENTS

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

## INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the financial year, the Foundation has paid premiums in respect of a contract insuring all the directors and officers of the Foundation against costs incurred in defending proceedings for conduct involving:

- a wilful breach of duty; or
- 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 \$5,025.07 excluding GST.

## NON-AUDIT SERVICES

Non-audit services provided by the Foundation's auditor, Moore Stephens are set out in Note 17 of the financial statements.

## FUTURE DEVELOPMENTS AND RESULTS

The Foundation will continue to work to implement its mission by developing leadership programs that address the need for rural leadership in a rapidly changing global and national environment. The directors are confident that the operations of the Foundation will continue to meet the expectations of the members, the program participants and its investors and supporters.

## 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 outstandings and obligations of the Foundation. At 30 June 2013 the number of members was 603.

#### **AUDITOR INDEPENDENCE**

A copy of the auditor's independence declaration as required under s 307C of the Corporations Act 2001 is set out immediately after this report.

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



**Dr W Craik, Chair**

Healesville, Victoria, 19 September 2013



**Ms B Madden, Director**



**MOORE STEPHENS**  
ACCOUNTANTS & ADVISORS

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**AUDITOR'S INDEPENDENCE DECLARATION**  
**UNDER S 307C OF THE CORPORATIONS ACT 2001**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2013 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

**Moore Stephens**  
Chartered Accountants



**Eric Hummer**  
Director

Dated at Canberra this *19<sup>th</sup>* day of September 2013

**MOORE STEPHENS**  
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**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF THE AUSTRALIAN RURAL LEADERSHIP FOUNDATION LIMITED**

**Report on the Financial Report**

We have audited the accompanying financial report of Australian Rural Leadership Foundation Limited, which comprises the statement of financial position as at 30 June 2013, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

*Directors' Responsibility for the Financial Report*

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

*Auditor's Responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

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

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

*Independence*

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Australian Rural Leadership Foundation Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

**MOORE STEPHENS**  
ACCOUNTANTS & ADVISORS

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*Opinion*

In our opinion:

- a) the financial report of the Australian Rural Leadership Foundation Limited is in accordance with the *Corporations Act 2001*, including:
- i. giving a true and fair view of the company's financial position as at 30 June 2013 and of its performance for the period ended on that date; and
  - ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

**Moore Stephens**  
Chartered Accountants



**Eric Hummer**  
Director

Dated at Canberra this *19<sup>th</sup>* day of September 2013

Australian Rural Leadership Foundation Limited ABN 80 056 874 787

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2013**

	<b>Note</b>	<b><u>2013</u></b>	<b><u>2012</u></b>
		\$	\$
Revenue from ordinary activities	2	2,428,184	2,090,275
Course costs	3	(1,071,948)	(1,075,532)
Staffing costs		(981,080)	(842,476)
Core administrative costs		(342,723)	(234,871)
Occupancy costs		(63,789)	(63,819)
Capital Fund Raising Campaign		(61,447)	(310,535)
Depreciation and amortisation	3	(9,378)	(10,907)
Impairment of assets	3	-	-
<b>Surplus before income tax</b>		<b><u>(102,181)</u></b>	<b><u>(447,865)</u></b>
Income tax expense		-	-
<b>Surplus (deficit) for the year</b>		<b><u>(102,181)</u></b>	<b><u>(447,865)</u></b>
Other comprehensive income		-	-
<b>Surplus (deficit) attributable to members of the Foundation</b>		<b><u>(102,181)</u></b>	<b><u>(447,865)</u></b>

These financial statements should be read in conjunction with the accompanying notes.



Australian Rural Leadership Foundation Limited ABN 80 056 874 787

**STATEMENT OF FINANCIAL POSITION  
FOR THE YEAR ENDED 30 JUNE 2013**

	<b>Note</b>	<b><u>2013</u></b> \$	<b><u>2012</u></b> \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	645,793	719,182
Receivables	5	85,399	344,349
Investments	6	2,092,772	2,082,507
Other current assets	7	75,960	95,685
<b>TOTAL CURRENT ASSETS</b>		<b>2,899,924</b>	<b>3,241,723</b>
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	8	29,739	30,712
<b>TOTAL NON CURRENT ASSETS</b>		<b>29,739</b>	<b>30,712</b>
<b>TOTAL ASSETS</b>		<b>2,929,663</b>	<b>3,272,435</b>
<b>CURRENT LIABILITIES</b>			
Payables	9	90,510	136,833
Provisions	10	83,931	51,595
Unearned revenue	11	1,410,950	1,591,077
Other	12	10,012	27,984
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,595,403</b>	<b>1,807,488</b>
<b>NON CURRENT LIABILITIES</b>			
Provisions	10	29,078	29,641
Unearned revenue	11	144,896	172,838
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>173,974</b>	<b>202,479</b>
<b>TOTAL LIABILITIES</b>		<b>1,769,377</b>	<b>2,009,967</b>
<b>NET ASSETS</b>		<b>1,160,286</b>	<b>1,262,467</b>
<b>EQUITY</b>			
Reserves		1,160,286	1,262,467
Retained surplus		-	-
<b>TOTAL EQUITY</b>		<b>1,160,286</b>	<b>1,262,467</b>

These financial statements should be read in conjunction with the accompanying notes.

Australian Rural Leadership Foundation Limited ABN 80 056 874 787

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2013**

	<b>Note</b>	<b><u>2013</u></b> \$	<b><u>2012</u></b> \$
<b>OPERATING ACTIVITIES</b>			
Course fees received		2,258,457	1,907,104
Donations received:			
Tim Fairfax Family Foundation		50,000	100,000
Vincent Fairfax Family Foundation		100,000	110,000
Interest received		139,649	172,426
Other receipts		148,832	130,122
Payments for operations and conduct of courses		<u>(2,751,657)</u>	<u>(2,760,046)</u>
Net cash provided by operating activities	18(b)	<u>(54,719)</u>	<u>(340,394)</u>
<b>INVESTING ACTIVITIES</b>			
Purchases of furniture and equipment		(8,405)	(4,346)
Proceeds from maturity of term deposits & debentures		205,784	1,326,589
Purchases of term deposits		<u>(216,049)</u>	<u>(976,971)</u>
Net cash provided by investing activities		<u>(18,670)</u>	<u>345,272</u>
Net movement in cash and cash equivalents		(73,389)	4,878
Cash and cash equivalents at beginning of year		719,182	714,304
Cash and cash equivalents at end of year	18(a)	<u><u>645,793</u></u>	<u><u>719,182</u></u>

These financial statements should be read in conjunction with the accompanying notes.

Australian Rural Leadership Foundation Limited ABN 80 056 874 787

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2013**

	Commitments Reserve <sup>1</sup>	General Reserve <sup>2</sup>	Development Funds Reserve <sup>3</sup>	Endowment Funds Reserve <sup>4</sup>	Retained Surplus	Total
	\$	\$	\$		\$	\$
<b>Balance at 1 July 2011</b>	450,000	200,000	721,436	-	338,896	1,710,332
<b>Comprehensive income</b>						
Surplus for the year	-	-	-	-	(447,865)	(447,865)
Other comprehensive income for the year	-	-	-	-	-	-
<b>Total comprehensive income</b>	-	-	-	-	(447,865)	(447,865)
<b>Other transfers</b>						
Transfers (to) from reserves	-	-	(108,969)	-	108,969	-
<b>Total other transfers</b>	-	-	(108,969)	-	108,969	-
<b>Balance at 30 June 2012</b>	450,000	200,000	612,467	-	-	1,262,467
<b>Comprehensive income</b>						
Surplus for the year	-	-	-	-	(102,181)	(102,181)
Other comprehensive income for the year	-	-	-	-	-	-
<b>Total comprehensive income</b>	-	-	-	-	(102,181)	(102,181)
<b>Other transfers</b>						
Transfers (to) from reserves	-	-	(124,313)	22,132	102,181	-
<b>Total other transfers</b>	-	-	(124,313)	22,132	102,181	-
<b>Balance at 30 June 2013</b>	450,000	200,000	488,154	22,132	-	1,160,286

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

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

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

<sup>3</sup> The Endowment Funds Reserve represents donations received from fellows, board, staff and other donors to fund ARLF scholarships.

These financial statements should be read in conjunction with the accompanying notes.

Australian Rural Leadership Foundation Limited ABN 80 056 874 787

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013**

The financial statements are for the Australian Rural Leadership Foundation Limited as an individual entity, incorporated and domiciled in Australia. Australian Rural Leadership Foundation Limited is a company limited by guarantee under the Corporations Act 2001.

### **Note 1: Statement of Significant Accounting Policies**

#### **Basis of Preparation**

This general purpose financial report is a financial report that has been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act 2001*. The financial report has been prepared on an accruals basis in Australian dollars and is based on historical costs. It does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

Any new Accounting Standards that have been issued but are not yet effective at balance date have not been applied in the preparation of the financial report. The possible impacts of the initial application of these Accounting Standards have not been assessed.

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). A statement of compliance with International Financial Reporting Standards cannot be made due to the Foundation applying the not-for-profit sector specific requirements contained in AIFRS.

The following is a summary of the significant accounting policies adopted by the Foundation in the preparation of this financial report. The accounting policies have been consistently applied, unless otherwise stated.

#### **Accounting Policies**

##### **(a) Income Tax**

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

##### **(b) Property, Plant and Equipment**

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

All classes of property, plant and equipment are depreciated using the straight line method.

Depreciation is charged at the following rates:

Furniture, Plant and Equipment	5 - 10 years
Computer hardware and software	3 - 4 years, and
Office Renovations	5 years



Australian Rural Leadership Foundation Limited ABN 80 056 874 787

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

### Note 1: Statement of Significant Accounting Policies (continued)

#### (c) Financial Instruments

Financial instruments are initially measured at fair value on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below. All financial instruments are classified as 'Held to Maturity' and are recognised at amortised cost.

##### Bonds and debentures

Bonds and debentures are carried at the lower of cost or net realisable value. Any discount or premium on acquisition is recognised as revenue or expense in the year of purchase of the investment.

##### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

#### (d) Cash and Cash Equivalents

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.

#### (e) Employee Benefits

Provision is made for the Foundation'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, plus 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. Contributions are made by the Foundation to employees' superannuation funds and are charged as expenses when incurred.

#### (f) Leases

Leases of fixed assets where substantially all of the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the Foundation, are classified as finance leases. Finance leases are capitalised recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

#### (g) Course liabilities and assets, revenues and expenses

##### Unearned revenue - Courses

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

Australian Rural Leadership Foundation Limited ABN 80 056 874 787

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

### Note 1: Statement of Significant Accounting Policies (continued)

#### (g) Course liabilities and assets, revenues and expenses (continued)

Course fees are set at a level necessary to meet the direct course costs and to contribute to the core administrative costs associated with the course. Consequently, course revenue is progressively recognised in the income statement 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.

#### Prepaid Course Costs

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

#### Provision for Course Make-Up Costs

A provision is recognised by transfer from course unearned revenue (note 11) to provision for course make-ups (note 10) 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.

#### (h) Reserves

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

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

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

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

#### (i) Comparative figures

Where necessary, comparative figures have been adjusted to conform to changes in presentation in this financial report.

#### (j) Revenue

Course revenues and expenses are recognised in the income statement progressively over the period of the course as detailed in note 1(g) above.

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

Reciprocal grants are recognised as revenue in the year received or receivable to the extent of expenditure during the year or the purpose of the grant. The balance of grants unspent at year end are recognised as a liability.

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.

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

Australian Rural Leadership Foundation Limited ABN 80 056 874 787

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

### Note 1: Statement of Significant Accounting Policies (continued)

#### (k) 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 income statement. No impairment indicators were present at 30 June 2013.

#### (l) Provisions

Provisions are recognised when the Foundation has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

#### (m) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the 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 item of expense. Receivables and payables 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.

#### (n) Critical accounting estimates and judgements

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 estimate - Course stage of completion*

The Foundation recognises course revenues based on the stage of completion of each course (refer note 1(g) above). The Foundation determines stage of completion consistently over the period of the course rather than on completion of course sessions, as this more accurately reflects the efforts required to plan and coordinate course activities.

##### *Key judgement - Impairment*

The Foundation assesses impairment at each reporting date by evaluating conditions specific to the Foundation that may lead to impairment of assets. Should an impairment indicator exist, the determination of the recoverable amount of the asset may require incorporation of a number of key estimates. No impairment indicators were present at 30 June 2013.

Australian Rural Leadership Foundation Limited ABN 80 056 874 787

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013**

	<u>2013</u>	<u>2012</u>
	\$	\$
<b>Note 2: Revenue</b>		
<i>Operating activities:</i>		
Course revenues	2,166,228	1,810,768
Network membership fees and events	130,629	114,012
Interest	119,880	154,346
Other	11,447	11,149
Total Revenue	<u>2,428,184</u>	<u>2,090,275</u>
<b>Note 3: Surplus for the Year</b>		
<b>(a) Expenses</b>		
Depreciation and amortisation of non-current assets:		
Furniture, plant and equipment	9,378	10,907
Total Depreciation and amortisation	<u>9,378</u>	<u>10,907</u>
Rental expense on operating leases:		
Minimum lease payments	63,789	63,822
<b>(b) Course revenues</b>		
<i>Australian Rural Leadership Program (ARLP):</i>		
Course 17	-	201,102
Course 18	184,745	832,579
Course 19	776,155	470,668
Course 20	520,563	-
<i>Short Courses</i>		
Winemakers Federation of Australia	82,147	74,720
TRAILBlazers	-	61,500
TRAIL	187,000	58,955
Telstra Foundation	-	30,083
Torres Strait Young Leaders Program	38,759	30,000
Other	376,859	51,161
Total course revenues	<u>2,166,228</u>	<u>1,810,768</u>



Australian Rural Leadership Foundation Limited ABN 80 056 874 787

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013**

	<u>2013</u>	<u>2012</u>
	\$	\$
<b>Note 3: Surplus for the Year (continued)</b>		
<b>(c) Course costs</b>		
<i>Australian Rural Leadership Program (ARLP):</i>		
Course 17	-	119,351
Course 18	83,778	495,079
Course 19	392,115	274,112
Course 20	291,765	-
<i>Short Courses</i>		
New Business	2,892	278
Winemakers Federation of Australia	42,382	32,476
TRAILBlazers	-	58,951
Telstra Foundation	-	18,595
Torres Strait Young Leaders Program	28,759	14,042
TRAIL	73,210	41,313
Ricegrowers	8,372	14,367
Blackwood Corporation	93,678	6,968
AILC	2,300	-
RIRDC	52,697	-
Total course costs	<u>1,071,948</u>	<u>1,075,532</u>
<b>Note 4: Cash and cash equivalents</b>		
Cash on hand and at bank	231,938	264,182
Units in cash management trust	413,855	455,000
	<u>645,793</u>	<u>719,182</u>
<b>Note 5: Receivables</b>		
<b>CURRENT</b>		
<i>Australian Rural Leadership Program:</i>		
Scholarships for Course 19	-	117,975
Scholarships for Course 20	-	126,500
Network membership fees for Course 18	-	22,000
Network membership fees for Course 19	18,150	20,900
Network membership fees for Course 20	20,900	-
<i>Other Course Receivables:</i>		
Short Courses	15,900	-
Total Course Receivables	<u>54,950</u>	<u>287,375</u>
Other receivables	112	6,868
Interest Receivable	30,337	50,106
	<u>85,399</u>	<u>344,349</u>

Current receivables are receivable within 30 days. \$4,250 of receivables were overdue by 90 days or more under approved payment plans (2012: \$Nil). All receivables have been assessed for impairment and no allowance for impairment was considered necessary at 30 June 2013 (2012: Allowance for impairment was \$Nil).

Australian Rural Leadership Foundation Limited ABN 80 056 874 787

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013**

	<u>2013</u> \$	<u>2012</u> \$
<b>Note 6: Investments</b>		
CURRENT		
Fixed term deposits	<u>2,092,772</u>	<u>2,082,507</u>
	<u>2,092,772</u>	<u>2,082,507</u>
<b>Note 7: Other current assets</b>		
Prepaid ARLP and short course costs	47,671	53,569
Prepaid insurance	20,626	23,929
Prepaid other expenses	<u>7,663</u>	<u>18,187</u>
	<u>75,960</u>	<u>95,685</u>
<b>Note 8: Property, plant and equipment</b>		
Furniture, plant and equipment – at cost	117,013	108,608
Accumulated depreciation	<u>(87,274)</u>	<u>(77,896)</u>
	<u>29,739</u>	<u>30,712</u>
Total Property, Plant and Equipment	<u>29,739</u>	<u>30,712</u>
(a) Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current and previous financial years	Furniture, plant and equipment 2013 \$	Furniture, plant and equipment 2012 \$
Opening Balance	30,712	37,273
Additions	8,405	4,346
Depreciation and amortisation expense	<u>(9,378)</u>	<u>(10,907)</u>
Closing Balance	<u>29,739</u>	<u>30,712</u>
<b>Note 9: Payables</b>		
CURRENT		
<i>Unsecured liabilities:</i>		
Creditors and accrued expenses	82,948	110,641
GST payable	<u>7,562</u>	<u>26,192</u>
	<u>90,510</u>	<u>136,833</u>

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013**

		<u>2013</u> \$	<u>2012</u> \$
<b>Note 10: Provisions</b>			
CURRENT			
Annual leave		56,905	43,926
Course make-up costs	10(a)	27,026	7,669
Total Current Provisions		<u>83,931</u>	<u>51,595</u>
NON-CURRENT			
Provision for long service leave		29,078	29,641
Total Non-Current Provisions		<u>29,078</u>	<u>29,641</u>
(a) Movement in Provisions			
<i>Provision for Course Make-Up Costs</i>			
Opening Balance		7,669	20,785
plus: Amounts transferred from courses for missed sessions		61,026	7,422
less: Amounts credited to sponsors for lapsed participants		(34,000)	(16,597)
less: Amounts transferred to courses for make-up sessions		<u>(7,669)</u>	<u>(3,941)</u>
Closing balance		<u>27,026</u>	<u>7,669</u>
<b>Note 11: Unearned revenue</b>			
CURRENT			
Courses:			
<i>Australian Rural Leadership Program:</i>			
Course 18		-	174,395
Course 19		199,819	806,494
Course 20		676,041	465,000
Course 21		450,000	-
<i>Short Courses:</i>			
Trail		13,108	29,653
Torres Strait Young Leaders Program		-	20,000
TRAILblazers		70,455	-
Other		1,527	95,535
		<u>1,410,950</u>	<u>1,591,077</u>
NON CURRENT			
<i>Australian Rural Leadership Program:</i>			
Course 19		-	172,838
Course 20		144,896	-
		<u>144,896</u>	<u>172,838</u>
Total Unearned revenue		<u>1,555,846</u>	<u>1,763,915</u>

Australian Rural Leadership Foundation Limited ABN 80 056 874 787

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013**

	<u>2013</u>	<u>2012</u>
	\$	\$
<b>Note 11: Unearned revenue (continued)</b>		
<b>(a) Aggregate course liabilities</b>		
Australian Rural Leadership Program, Course 18		
Scholarships	1,500,000	1,500,000
Add: Amounts transferred to course for make-up sessions	2,174	2,174
Less: Session Costs	(753,128)	(750,472)
Less: Contribution to core costs	(759,396)	(577,307)
Add: JCU reimbursement	10,350	-
	<u>-</u>	<u>174,395</u>
 Australian Rural Leadership Program, Course 19		
Scholarships	1,500,000	1,450,000
Add: Amounts transferred to course for make-up sessions	7,669	-
Less: Session Costs	(666,228)	(274,113)
Less: Session Missed	(61,027)	
Less: Contribution to core costs	(580,595)	(196,555)
	<u>199,819</u>	<u>979,332</u>
 Australian Rural Leadership Program, Course 20		
Scholarships	1,491,500	465,000
Less: Transfer to Course 21	(150,000)	-
Less: Session Costs	(291,765)	-
Less: Contribution to core costs	(228,798)	-
	<u>820,937</u>	<u>465,000</u>
 Australian Rural Leadership Program, Course 21		
Scholarships	300,000	-
Add: Transfer from Course 20	150,000	-
	<u>450,000</u>	<u>-</u>
 <b>Note 12: Other Current Liabilities</b>		
Scholarship Donation Fund	(i) -	17,972
Program Participant's Welfare Fund	(ii) 10,012	10,012
	<u>10,012</u>	<u>27,984</u>

(i) The Scholarship Donation Fund represents funds donated by various individuals to support a participant on the ARLP. At Board Meeting No 80 in June 2013, the Board agreed to transfer the donations received from fellows to fund an ARLP scholarship from the Scholarship Donation Fund to the Endowment Fund Reserve. Therefore, the Fellows donations of \$17,972 were transferred to the Endowment Fund Reserve at 30 June 2013. Future donations of this type will be deposited directly into the Endowment Fund Reserve.

(ii) 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.



Australian Rural Leadership Foundation Limited ABN 80 056 874 787

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013**

**Note 13: Commitments**

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

	<u>2013</u> \$ Receivable	<u>2013</u> \$ Payable	<u>2013</u> \$ Net Receivable / (Payable)
Within one year:			
ARLP	144,120	-	144,120
Short courses	225,000	(53,088)	171,912
Other	-	(72,495)	(72,495)
	<u>369,120</u>	<u>(125,583)</u>	<u>243,537</u>
Within 1-5 years:			
Short courses	33,000	-	33,000
Capital Fundraising Campaign	-	(2,020)	(2,020)
	<u>33,000</u>	<u>(2,020)</u>	<u>30,980</u>
Total for 2013	<u>402,120</u>	<u>(127,603)</u>	<u>274,517</u>
	<u>2012</u> \$ Receivable	<u>2012</u> \$ Payable	<u>2012</u> \$ Net Receivable / (Payable)
Within one year:			
ARLP	124,300	-	124,300
Short courses	637,667	(46,505)	591,162
Capital Fundraising Campaign	-	(264,000)	(264,000)
Other	9,366	(48,227)	(38,861)
	<u>771,333</u>	<u>(358,732)</u>	<u>412,601</u>
Within 1-5 years:			
ARLP	16,500	-	16,500
Short courses	305,910	-	305,910
Capital Fundraising Campaign	-	(44,000)	(44,000)
	<u>322,410</u>	<u>(44,000)</u>	<u>278,410</u>
Total for 2012	<u>1,093,743</u>	<u>(402,732)</u>	<u>691,011</u>

**Note 14: 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 outstandings and obligations of the Foundation. At 30 June 2013 the number of members was 603.

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

Australian Rural Leadership Foundation Limited ABN 80 056 874 787

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013****Note 15: 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**

Dr W Craik (Chairperson)	Prof S Barlow
Mr L McDonald	Ms S Tegen
Ms B Madden	Mr J Wilson
Mr R Hadler	Mr C Burns

**(ii) Executives**

Dr L Fitzpatrick (CE)	Ms Z Routh
Ms P Woodhill	Mr K Haddad
Ms J Healey	Dr J Andrew

**(b) Compensation of Key Management Personnel**

	Short-term benefits \$	Post employment benefits \$	Other long- term benefits \$	Total \$
<b>2013</b>				
Total compensation	545,471	71,980	-	617,451
<b>2012</b>				
Total compensation	527,086	96,760	-	623,846

**(c) Transactions with Director related entities**

Name of entity	Current year transactions and balances (including GST)
Dairy Australia Limited <sup>1</sup>	Scholarships revenue - Course 19 (\$55,000).
Department of Agriculture, Fisheries and Forestry (DAFF) <sup>2</sup>	Scholarships revenue - Course 20 (\$192,500).
Fisheries Research and Development Corporation <sup>3</sup>	Consultancy Services revenue for support activities in the FRDC Communications area (\$12,592) and; Scholarships revenue -Course 20 (\$110,000)
Rural Industries Research & Development Corporation <sup>4</sup>	Short Program -RIRDC Rural Leaders-(\$77,341). Scholarships revenue -Course 21 (\$55,000).

<sup>1</sup> Related entity of Dr W Craik<sup>2</sup> Related entity of Prof S Barlow<sup>3</sup> Related entity of Mr J Wilson<sup>4</sup> Related entity of Mr C Burns

Funding for course scholarships is provided by various entities (including related entities) and may carry conditions as to how they are to be applied. Conditions include an entity providing the funds may include as a condition that the funds be provided as a scholarship to an applicant from a particular industry, or an applicant employed by the entity providing the funds. Funding received from director related entities is subject to the same commercial arrangements as other non-director related entities.

Australian Rural Leadership Foundation Limited ABN 80 056 874 787

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013**

	<u>2013</u> \$	<u>2012</u> \$
<b>Note 16: Employee information</b>		
The aggregate employee benefit liability recognised and included in the financial report is as follows:		
CURRENT		
Payables (Note 9)	24,032	38,509
Provisions (Note 10)	56,905	43,926
NON-CURRENT		
Provisions (Note 10)	29,078	29,641
Aggregate employee benefit liability	<u>110,015</u>	<u>112,076</u>
Number of employees (full time equivalents) at year end	<u>12 (10)</u>	<u>12 (10.45)</u>
<b>Note 17: Auditors' remuneration</b>		
Remuneration of the auditor recognised in the statement of comprehensive income for:		
Auditing the financial report	12,750	12,000
Other services	<u>2,750</u>	<u>3,000</u>
	<u>15,500</u>	<u>15,000</u>
<b>Note 18: Cash flow information</b>		
<b>(a) Reconciliation of cash</b>		
Cash at the end of the financial year as shown in the statement of cash flows is represented by the following items:		
Cash and cash equivalents per Statement of Financial Position	645,793	719,182
Cash and cash equivalents per Statement of Cash Flows	<u>645,793</u>	<u>719,182</u>
Difference	<u>-</u>	<u>-</u>
<b>(b) Reconciliation of net cash relating to operating activities to net surplus</b>		
Surplus (deficit) for the year	(102,181)	(447,865)
Non-cash flows in operating surplus:		
Depreciation and amortisation	9,378	10,907
Changes in assets and liabilities:		
Receivables	258,950	(177,338)
Other current assets	19,725	(65,392)
Payables	(46,320)	31,064
Unearned revenue	(208,069)	303,552
Provisions	31,770	2,093
Other liabilities	<u>(17,972)</u>	<u>2,585</u>
Net cash received from operating activities	<u>(54,719)</u>	<u>(340,394)</u>

**Note 19: Subsequent Events**

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

Australian Rural Leadership Foundation Limited ABN 80 056 874 787

## **Note 20: Financial Instruments**

### **(a) 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 Foundation did not have any derivative instruments at 30 June 2013 or 30 June 2012.

It is, and has been throughout the period under review, the Foundation's policy that no trading in financial instruments shall be undertaken.

The main risks arising from the Foundation's financial instruments are interest rate risk and credit risk. The policies for managing each of these risks are summarised below. The Foundation was not exposed to foreign currency risk during the years ended 30 June 2012 or 2013.

#### *Interest rate risk*

Interest rate risk is the risk that the value of a financial asset or liability will change due to interest rate fluctuations. The interest rate applicable to each class of financial asset and liability are set out in the following table (refer to (c) below).

#### *Credit risk*

The maximum exposure to credit risk at balance date to recognised financial assets is the carrying amount as disclosed in the balance sheet and notes to the financial statements. Credit risk is managed through an investment policy which requires the investment of funds with financial institutions with credit rating of A3 or better for short term (1 year and less) and BBB- or better for longer-term investments. The Foundation maintained a spread of major investments across a range of financial institutions and consequently did not have any material credit risk exposure to any single debtor or group of debtors during the years ended 30 June 2012 or 2013.

#### *Liquidity risk*

The Foundation had no external funding or facilities during the years ended 30 June 2012 or 2013. The Foundation manages its cash balance to ensure that it has sufficient cash and cash equivalent holdings to meet all short, medium and long term requirements.

### **(b) Net Fair Values**

The net fair value of financial assets and liabilities approximated the values shown in the statement of financial position and the notes thereto.

Australian Rural Leadership Foundation Limited ABN 80 056 874 787

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013**

**Note 20: Financial Instruments (continued)**

**(c) Interest Rate Risk**

	Weighted average effective interest rate		Variable interest rate		Fixed interest rate, maturing within 1 year		Non-interest bearing		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	%	%	\$	\$	\$	\$	\$	\$	\$	\$
Financial assets:										
Cash and cash equivalents	3.50	3.45	645,454	718,843	-	-	339	339	645,793	719,182
Fixed term deposits	4.25	5.62	-	-	2,092,572	2,082,307	200	200	2,092,772	2,082,507
Receivables	na	na	-	-	-	-	85,399	344,349	85,399	344,349
Total financial assets			645,454	718,843	2,092,572	2,082,307	85,938	344,888	2,823,964	3,146,038
Financial liabilities:										
Payables	na	na	-	-	-	-	90,510	136,833	90,510	136,833
Total financial liabilities			-	-	-	-	90,510	136,833	90,510	136,833



Australian Rural Leadership Foundation Limited ABN 80 056 874 787

#### DIRECTORS' DECLARATION

In accordance with a resolution of the directors of the Australian Rural Leadership Foundation Limited (the Foundation), we state that:

- 1 In the opinion of the directors:
  - (a) the financial statements, notes and the additional disclosures included in the directors' report designated as audited of the company are in accordance with the *Corporations Act 2001*, including:
    - (i) giving a true and fair view of the Foundation's financial position as at 30 June 2013 and of the performance for the year ended on that date; and
    - (ii) complying with Accounting Standards and the *Corporations Regulations 2001*; and
  - (b) there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they become due and payable.
- 2 This declaration has been made after receiving the declarations required to be made to the directors in accordance with section 295A of the *Corporations Act 2001* for the financial year ending 30 June 2013.

On behalf of the Board



Dr W Craik  
Director



Ms B Madden  
Director



## DEVELOPING LEADERSHIP EXCELLENCE TO BUILD A RESILIENT RURAL AUSTRALIA



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