committee for economic development of australia

Annual Financial Report

for the year ended 30 June 2008

Committee for Economic Development of Australia
ABN 49 008 600 922

Contents

Committee for Economic Development of Australia

ABN 49 008 600 922

Directors' Report

To the Members of the Committee for Economic Development of Australia.

Your Directors have pleasure in presenting their report on the Company for the financial year ended 30 June 2008.

Directors

The names of the Directors in office at the date of this report are:

GD Allen
DW Byers
IN Ferres
G Franklin
N Hatherly
A Howe
AJ Kloeden
D McTaggart
JA Poulsen
PKG Ruthven
G Withers AO
L Wood

The names of the main office bearers at the date of this report are:

President	GD Allen AM
Chair, Board of Directors	GD Allen AM
Honorary Treasurer	D McTaggart

Company secretary

The following person held the position of company secretary at the date of the report:

D Kelly – Bachelor of Business (Accounting) and Certified Practising Accountant. Mr Kelly has had over 20 years experience in accounting within different organisations such as not for profit, commercial cleaning, import and forestry. Note that W Box was the company secretary at the end of financial year.

Principal activities

The company's principal activity is as an independent, apolitical organisation made up of business leaders, academics and others who have an interest in, and commitment to, Australia's economic and social development. CEDA undertakes objective research and discussion into issues affecting Australia's growth.

While CEDA emphasises productivity and efficiency issues, which are vital for our future development, it also recognises the need to consider the equity dimensions of government policy.

No significant change in the nature of these activities occurred during the year.

Operating results

The net loss of the company, was $146,559 (2007 - $99,636). CEDA is an approved research institute under Section 73A of the Income Tax Assessment Act. CEDA is a company limited by guarantee and in the event of winding up each member is liable for any sum not exceeding $500.

The directors believe the company is in a strong and stable financial position to expand and grow its current operations.

Dividends paid or recommended

The Memorandum of Association specifically prohibits the payment of any dividend to Members.

Information on Directors

Geoffrey D Allen AM	-	National President and Chairman of the Board, CEDA
	-	Director, The Allen Consulting Group P/L
	-	Chairman, Australian Centre for Corporate Public Affairs,
	-	Director, Lancemore P/L
	-	Chairman, Australian Statistics Advisory Council
	-	Deputy Chairman, Melbourne Business School Ltd
	-	Director, Beyond Consulting (Vic) P/L
	-	Director, Centre For Social Impact
	-	Board member, European Centre for Public Affairs
	-	Advisory Board, Victorian College of the Arts
	-	Advisory Board, George Washington University Institute for Corporate Social Responsibility
David W Byers	-	Chief Executive Officer, CEDA
Ivan A Deveson, AO	-	Past National President and Past Chairman of the Board, CEDA
	-	Patron, Melbourne City Mission
Ian N Ferres	-	Consultant, TressCox Lawyers
	-	Chairman, Treasury Corporation of Victoria, TDI Pty Ltd and Vianova Asset Management Pty Ltd (Advisory Board)
	-	Director, Australian Unity Limited
	-	Director, St Vincent's Health (Melbourne)
	-	Member, Australia Day (Victoria) Committee
Gillian Franklin	-	Managing Director, The Heat Group Pty Ltd
	-	Director, Cosmetic, Toiletry and Fragrance Association of Australia
	-	Director, Microsurgery Foundation
	-	Director, Australian Grand Prix Corporation
	-	Director, Melbourne Theatre Company
	-	Chair, Audit and Risk Committee, Australian Grand Prix
Neil Hatherly	-	Managing Director, RNH Consulting
	-	Director, Runge Limited
	-	Director, Brisbane Transport
	-	Director, Brisbane Polo Club
	-	Director, Indooroopilly Golf Club
Anne Howe	-	Chief Executive, South Australian Water Corporation
	-	Director, Botanic Gardens & State Herbarium of South Australia, Water Services Association of Australia, Water Quality Research Australia Ltd.
	-	Member, South Australian Government Financing Authority Advisory Board, Stormwater Management Authority, Water Security Council, Economic Development Board (Projects Co-ordination Board)
	-	State President, Institute of Public Administration Australia (SA Division)
Adrian J Kloeden	-	Chairman, Serco Asia Pacific
	-	Deputy Chancellor, Deakin University
	-	Chairman, Forestry Tasmania
	-	Director, Infrastructure Partnerships Australia
Donald C McKenzie	-	Managing Director, Executive Dimensions
	-	Chairman and Director, Community Connections Australia (CCA)
Douglas McTaggart	-	Chief Executive, Queensland Investment Corporation
	-	Council Member of the Queensland University of Technology, National Competition Council and COAG Reform Council
John A Poulsen	-	Managing Partner and Head of Finance, Minter Ellison Perth
	-	WA Customer Service Council

Information on Directors (continued)

Phil K G Ruthven	-	Chairman, IBIS World Pty Ltd
Glenn Withers AO	-	Chief Executive Officer, Universities Australia
	-	Director, Higher Ed Services Pty Ltd, Australian Higher Education Associations Pty Ltd
	-	Adjunct Professor, Australian National University
	-	ANZSOG Fellow
Lynn Wood	-	Chairman, Noni B Limited (ASX:NBL)
	-	Chairman, Axias Fund Ltd
	-	Non-Executive Director, GPT Funds Management Ltd and MS Australia Ltd
	-	Member, Foreign Investment Review Board
	-	Syndicate Chairman, CEO Institute
	-	Compliance Committee Member, BNY Mellon Asset Management Ltd
Di Yerbury AO	-	Director, IBT Education Australia, University Co-operative Bookshops and Platinum Sound Ltd
	-	International Ambassador, International College of Management, Sydney
	-	Regional Chair, International Association of University Presidents

Meetings of Directors

	Directors' Meetings	
	Number eligible	**Number attended**
IA Deveson, AO	5	4
DS Adamsas	1	1
DW Byers	5	5
I Ferres	5	4
J L Floyd	2	1
G Franklin	5	3
N Hatherly	5	5
A Howe	3	1
AJ Kloeden	5	3
DC McKenzie	5	4
D McTaggart	5	4
JA Poulsen	5	5
PKG Ruthven	5	5
A Smith	1	1
TW Tappenden	2	1
G Withers AO	3	1
D Yerbury, AO	5	4
L Wood	4	4

Future developments, prospects and business strategies

No significant changes in the company's state of affairs occurred during the financial year.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

Likely developments in the operations of the company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Proceedings on behalf of the company

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company. There were no officers who are former auditors of the company.

Auditor's independence declaration

The lead auditor's independence declaration for the year ended 30 June 2008 has been received and can be found on page 29 of the directors' report.

With the exception of the following matters:

During this financial year the company has paid premiums to insure all directors and officers against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director or officer of the company other than conduct involving willful breach of duty in relation to the company.

Signed at Melbourne this 16th day of February 2009

In accordance with a Resolution of the Board of Directors.

D McTaggart
Director

GD Allen AM
Chair

Income Statement

For year ending 30 June 2008

	NOTE	2008 $	2007 $
Revenue	2, 17	6,904,943	6,399,678
Auditors Remuneration	3	(18,000)	(12,000)
Bad and Doubful Debt Expense	3	(82,882)	(5,615)
Depreciation and Amortisation Expense	3	(100,884)	(96,397)
Employee Benefits Expense		(3,014,289)	(2,911,869)
Finance costs	3	(8,179)	(28)
Lease Expense	3	(585,397)	(500,364)
Research and Related Conferences and Briefings Expense		(1,851,822)	(1,530,227)
Other Operating Expenses		(1,390,049)	(1,442,814)
Profit / (Loss) Attributable to Entity	17	(146,559)	(99,636)

Committee for Economic Development of Australia

ABN 49 008 600 922

Balance Sheet

As at 30 of June 2008

	NOTE	2008 $	2007 $
CURRENT ASSETS			
Cash and Cash Equivalents	4	1,498,711	1,503,745
Trade and Other Receivables	5	482,795	429,570
Other Current Assets	6	345,510	74,522
TOTAL CURRENT ASSETS		2,327,016	2,007,837
NON CURRENT ASSETS			
Plant and Equipment			
Leasehold Improvements	7	337,392	298,310
Intangibles	8	141,679	-
TOTAL NON CURRENT ASSETS		479,071	298,310
TOTAL ASSETS		**2,806,087**	**2,306,147**
CURRENT LIABILITIES			
Trade and Other Payables	9	1,105,073	567,088
Short - Term Provisions	10	282,137	172,098
Subscriptions and Income in Advance	11, 17	1,445,721	1,440,414
TOTAL CURRENT LIABILITIES		2,832,931	2,179,600
NON CURRENT LIABILITIES			
Long - Term Provisions	10	89,087	95,919
TOTAL NON CURRENT LIABILITIES		89,087	95,919
TOTAL LIABILITIES		**2,922,018**	**2,275,519**
NET ASSETS		**(115,931)**	**30,628**
EQUITY			
Retained Earnings	17	(115,931)	30,628
TOTAL EQUITY		**(115,931)**	**30,628**

The accompanying notes form part of these Financial Statements.

Statement of Changes in Equity
For year ended 30 June 2008

	Note	$ Retained Earnings	$ Total
Balance at 1st July 2006	17(a)	130,264	130,264
Profit / (Loss) attributable to Members	17(a)	(99,636)	(99,636)
Balance at 30th June 2007	**17(a)**	**30,628**	**30,628**
Profit / (Loss) attributable to Members		(146,559)	(146,559)
Balance at 30th June 2008		**(115,931)**	**(115,931)**

Cash Flow Statement

For year ending 30 June 2008

	NOTE	2008 $	2007 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Subscriptions		2,164,594	2,107,109
Research & related conferences and briefings		4,533,096	4,168,475
Payments to suppliers & employees		(6,485,370)	(6,242,749)
Interest Received		75,635	62,518
Borrowing Costs		(8,179)	(28)
NET CASH PROVIDED BY / (USED IN) OPERATING ACTIVITIES	**14(b)**	**279,776**	**95,325**
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of plant & equipment		818	-
Purchase of plant, equipment & intangibles		(285,628)	(167,178)
NET CASH PROVIDED BY / (USED IN) INVESTING ACTIVITIES		**(284,810)**	**(167,178)**
NET INCREASE / (DECREASE) IN CASH HELD		(5,034)	(71,853)
CASH AT BEGINNING OF YEAR	14(a)	1,503,745	1,575,598
CASH AT END OF YEAR	**14(a)**	**1,498,711**	**1,503,745**

Note to the Financial Statements

For year ending 30 June 2008

Note 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report covers the Committee for Economic Development of Australia as an individual entity. The Committee for Economic Development of Australia is a company limited by guarantee, incorporated and domiciled in Australia.

The financial report of the Committee for Economic Development of Australia complies with all International Financial Reporting Standards (IFRS) in their entirety.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report.

The accounting policies have been consistently applied unless otherwise stated.

Basis of preparation

The accounting policies set out below have been consistently applied to all years presented. The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Accounting policies

a) Plant and Equipment, Leasehold Improvements

Plant and Equipment and Leasehold Improvements are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment and leasehold improvements is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Note to the Financial Statements

For year ending 30 June 2008

Depreciation

The depreciable amount of all fixed assets including capitalized leased assets, but excluding ordinary plant and equipment, are depreciated on a straight line basis over their useful lives to the company commencing from the time the asset is held ready for use. Any item of less than $1,000 has been allocated into a low value pool. Ordinary plant and equipment is depreciated by the diminishing value method. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and Equipment	15%
Computer and Associated Equipment	33.3%
Leasehold Improvements	12.5%
Low Value Pool	37.5%
Estimated Make Good Cost	16.5%
Software	25%

b) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, that are transferred to the company are classified as finance leases.

Finance Leases are capitalized by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or 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.

Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the company will obtain ownership of the asset or over the term of the lease.

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.

c) Impairment of assets

At each reporting date, the company reviews the carrying value of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value.

Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

d) Employee benefits

Provision is made for the company'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. Those cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

e) Provisions

Provisions are recognized when the company 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.

Note to the Financial Statements

For year ending 30 June 2008

f) Cash and cash equivalents

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

g) Revenue

Revenue from the rendering of a service is recognised upon the delivery of the service to members.

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

CEDA participates in various research projects with partners that receive grant income. As CEDA does not directly receive this grant income this income is not recorded in the financial statements. Instead half the value of the grant is recorded as joint research project income together with a corresponding expense of equal value.

Subscription revenue is progressively recognised over the term of the subscription with the unexpired portion treated as income in advance.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

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

h) Goods and services tax (GST)

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

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

i) Comparative figures

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

j) Financial instruments

Recognition and initial measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Note to the Financial Statements

For year ending 30 June 2008

j) Financial instruments (continued)

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity is no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Classification and subsequent measurement

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 subsequently measured at amortised cost using the effective interest rate method.

Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

k) Critical accounting estimates and judgments

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

Key estimates – impairment

The company assesses impairment at each reporting date by evaluating conditions specific to the company that may lead to impairment of assets. When an impairment trigger exists, the recoverable amount of the asset is determined. Value in use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Key judgements – doubtful debts provision

Based on best available current information and historical knowledge a doubtful debt provision of $96,021 has been made at 30 June 2008.

l) Income tax

The company is exempt from Income Tax. Accordingly no income tax expense, deferred or otherwise, or income tax payable amounts are recorded in the financial statements.

m) Going concern

The Directors have prepared these accounts on a going concern basis notwithstanding the current year loss and the current deficiency in the balance sheet position given the fact that CEDA holds significant cash reserves and having regard to cashflow and the operating budget for the 2009 financial year.

The financial report was authorised for issue on the 16 of February by the board of directors.

Note to the Financial Statements

For year ending 30 June 2008

		2008 $	2007 $
Note 2	**REVENUE:**		
	Operating Activities		
	Subscriptions	2,189,306	2,197,510
	Research and Related Conferences and Briefings	4,639,184	4,139,650
		6,828,490	**6,337,160**
	Non Operating Activities		
	Interest	75,635	62,518
	Proceeds on disposal of Plant and Equipment	818	-
	Total Revenue	**6,904,943**	**6,399,678**
	a) Interest From:		
	Other Persons	75,635	62,518
		75,635	**62,518**
Note 3	LOSS FROM ORDINARY ACTIVITIES		
	Loss from Ordinary Activities has been determined after:		
	a) Expenses:		
	Finance Costs:		
	Other Parties	8,179	28
		8,179	**28**
	Depreciation of Plant and Equipment	53,567	58,379
	Amortisation	47,317	38,018
	Doubtful Debts - Trade Receivables	82,882	5,615
	Net Loss on Disposal of Plant & Equipment	3,165	63,345
	Rental Expense on Operating Leases		
	Minimum Lease Payments	585,397	500,364
	Remuneration of the Auditors:		
	Audit or Reviewing the Financial Report	18,000	12,000
	Other Services	-	-
Note 4	CASH AND CASH EQUIVALENTS		
	Cash at Bank and in Hand	218,611	303,123
	Short Term Bank Deposits	1,280,100	1,200,622
		1,498,711	**1,503,745**

The effective interest rate on short-term bank deposits was 7.25% (2007: 6.35%); these deposits have an average maturity of 361 days. Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet in Note 14.

Note to the Financial Statements

For year ending 30 of June 2008

		2008 $	2007 $
Note 5	TRADE AND OTHER RECEIVABLES:		
	Trade Debtors - Subscriptions	173,888	180,497
	Function Registration Fees	-	118,081
	Sponsorship	73,575	39,600
	GST Input Credits	131,092	90,985
	Other	200,261	13,546
	Provision for Doubtful Debts	(96,021)	(13,139)
		482,795	**429,570**

Provision for Impairment of Receivables

Current trade and term receivables are non-interest bearing and generally on 30 day terms. A provision for impairment is recognised when there is objective evidence that an individual trade or term receivable is impaired.

Note 5(a) Impaired trade receivables

As at 30 June 2008 current trade receivables with a nominal value of $96,021 (2007 - $13,139) were impaired. The amount of the provision was $96,021 (2007 - $13,139) . The individually impaired receivables mainly relate to event sponsorships and registrations and a small number of membership subscriptions from entities, which are in unexpectedly difficult economic situations. The ageing of these receivables is as follows:

	2008 $	2007 $
1 to 3 months	-	-
3 to 6 months	45,300	-
Over 6 months	50,721	13,139
	96,021	**13,139**

Note 5(b) Past due but not impaired

As of 30 June 2008, trade receivables of $351,702 were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default.
The ageing analaysis of these trade receivables is as follows:

	2008 $	2007 $
Up to 3 months	304,921	288,326
3 to 6 months	46,781	63,395
	351,702	**351,721**

		2008 $	2007 $
Note 6	OTHER CURRENT ASSETS		
	Prepayments	345,510	74,522
		345,510	**74,522**

Notes to the Financial Statements

For year ending 30 of June 2008

		2008 $	2007 $
Note 7	PLANT AND EQUIPMENT, LEASEHOLD IMPROVEMENTS		
	Plant and Equipment - At Cost	448,068	392,134
	Less: Accumulated Depreciation	(319,752)	(289,767)
	TOTAL PLANT & EQUIPMENT	**128,316**	**102,367**
	Leasehold Improvements & Makegoods	561,374	476,374
	Less: Accumulated Depreciation	(352,298)	(280,431)
	TOTAL LEASEHOLD IMPROVEMENTS	**209,076**	**195,943**
	TOTAL PLANT AND EQUIPMENT, LEASEHOLD IMPROVEMENT	**337,392**	**298,310**

Note 7a Movements in Carrying Amounts

Movements in the carrying amounts of each class of non-current asset between the beginning and the end of the current financial year.

	Plant & Equipment $	Leasehold Improvement $	Makegood Melb Lease $	Makegood Syd Lease $	TOTAL $
Balance at the beginning of the year	102,367	104,934	18,400	72,609	298,310
Revaluation Increments / (Decrements)	-	-	-	-	-
Additions	55,935	-	85,000	-	140,935
Assets disposed / scrapped	(3,983)	-	-	-	(3,983)
Depreciation Expense	(26,003)	(47,317)	(12,267)	(12,283)	(97,870)
Carrying amount as at 30th June 2008	128,316	57,617	91,133	60,326	337,392

Notes to the Financial Statements

For year ending 30 June 2008

		2008 $	2007 $
Note 8	INTANGIBLES		
	Software	144,693	-
	Less: Accumulated Amortisation	(3,014)	-
	TOTAL INTANGIBLES	**141,679**	**-**

Note 8a Movements in Carrying Amounts

Movements in the carrying amounts of each class of non-current asset between the beginning and the end of the current financial year.

	Intangibles $	TOTAL $
Balance at the beginning of the year	-	-
Revaluation Increments / (Decrements)	-	-
Additions	144,693	144,693
Assets disposed / scrapped	-	-
Amortisation expense	(3,014)	(3,014)
Carrying amount as at 30th June 2008	141,679	141,679

Notes to the Financial Statements

For year ending 30 June 2008

		2008 $	2007 $
Note 9	TRADE AND OTHER PAYABLES		
	Unsecured Liabilities		
	Trade Payables	781,194	331,661
	Sundry Payables and Accrued Expenses	132,868	59,915
	GST Collected	191,011	175,512
		1,105,073	**567,088**

Note 10 PROVISIONS:

	Employee Benefits	Make Good Melbourne Lease	Make Good Sydney Lease	Total
	$	$	$	$
Opening Balance at 1st July 2007	135,250	56,856	75,911	268,017
Additional Provisions	-	115,169	-	115,169
Amounts Used	(11,962)	-	-	(11,962)
Balance at 30th June 2008	**123,288**	**172,025**	**75,911**	**371,224**

	2008 $	2007 $
Current	282,137	172,098
Non Current	89,087	95,919
	371,224	**268,017**

Make good provisions

A provision has been recognised for lease commitments and is required to settle the make good requirement at the conclusion of the lease. The various leases are detailed in Note 11.

Provision for long-term employee benefits

A provision has been recognised for non current employee benefits relating to long service leave for employees. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been included in note 1 to this report.

Notes to the Financial Statements

For year ending 30 June 2008

		2008 $	2007 $
Note 11	SUBSCRIPTIONS AND INCOME IN ADVANCE:		
	Subscriptions in Advance	1,109,264	1,140,585
	Sponsorship & Conference Centre Income in Advance	336,457	299,829
		1,445,721	**1,440,414**

Note 12 CAPITAL AND LEASING COMMITMENTS:

a) Operating Lease and Rental Commitments
Non - cancellable operating leases contracted
for but not capitalised in the Financial Statements.

	2008 $	2007 $
Payable: Minumum Lease Payments		
Not later than 12 months	473,617	491,367
Between 12 months and 5 years	1,667,409	1,729,523
Greater than 5 years	139,273	202,202
	2,280,299	**2,423,092**

DETAILS OF PROPERTY LEASES

i) Melbourne

The lease is a non cancellable lease with a five year term commencing 1st April 2008, with rent payable monthly in advance.
Provision is made within the lease agreement that require the lease payments to be increased at the end of each year by 4%. An option exists to renew the least at the end of the fifth year for an additional term of three years.

ii) Sydney

The lease is a non cancellable lease with a six year term commencing 1st January 2007 with rent payable monthly in advance.
Provision is made within the lease agreement that require the lease payments to be increased at the end of each year by 4%.

iii) Adelaide

The lease is a non cancellable lease with a five year term commencing 1st January 2006 with rent payable monthly in advance. An option exists to renew the lease at the end of the five year term for an additional term of five years.

iv) Brisbane

The lease is a non cancellable lease with a one year term commencing 1st July 2006.Thereafter it reverts to a month to month basis with 4% annual increases.

v) Perth

The lease is a non cancellable lease with a two year term commencing 1st July 2005.Thereafter it reverts to a month to month basis.

Note 13 SEGMENT REPORTING:

CEDA is an individual entity Committee for Economic Development of Australia.

Notes to the Financial Statements

For year ending 30 June 2008

Note 14 CASH FLOW INFORMATION

a) Reconciliation of cash

Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:

	2008 $	2007 $
Cash at Bank and in Hand	218,611	303,123
Short term Deposits including accrued interest with Financial Institutions	1,280,100	1,200,622
	1,498,711	1,503,745

CEDA holds two bank guarantees. The first is for the Sydney office to Permanent Trustee Australia Limited for $133,561 and the second is for the Melbourne office to Enwerd Pty Ltd for $115,907.

b) Reconciliation of cash flows from operations to loss from ordinary activities

	2008 $	2007 $
Profit / (Loss) from ordinary activities	(146,559)	(99,636)
Non - Cash Flows in Loss from Ordinary Activities		
Depreciation and amortisation	100,884	96,397
Net Loss on Disposal of Plant & Equipment	3,165	63,345
Changes in Assets and Liabilities:		
Decrease / (Increase) in Trade and Other Receivables	(53,225)	(36,013)
Decrease / (Increase) in Prepayments	(270,988)	17,748
Increase / (Decrease) in Trade and Other Payables	537,985	10,501
Increase / (Decrease) in Other Subs and Fees in Advance	5,307	(29,998)
Increase / (Decrease) in Provisions	103,207	72,981
CASH FLOWS FROM OPERATIONS	**279,776**	**95,325**

Note 15 FINANCIAL RISK MANAGEMENT

The company's activities expose it to a variety of financial risks: interest rate risk and credit risk. The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise the potential adverse effects on the financial performance of the company. The methods used to manage risk include sensitivity analysis for interest rate risk and aging analysis for credit risk.

Notes to the Financial Statements
For year ending 30 June 2008

Note 15 FINANCIAL RISK MANAGEMENT (continued)

a) Interest rate risk

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments was:

	2008 $	2007 $
Fixed rate instruments		
Financial Assets	-	-
Financial Liabilities	-	-
Variable rate instruments		
Financial Assets	1,498,711	1,503,745

Interest rate risk is managed via fixed rate debt and floating rate debt.

Fair value sensitivity analysis for fixed rate instruments
The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments
A change of 100 basis points in interest rates at the reporting date would have increased equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for 2007. Refer to note 16(b).

b) Credit risk

Credit risk is managed at the Board level. Sales are required to be settled in cash or using major credit cards, mitigating credit risk. The maximum exposure to credit risk, excluding the value of any collateral or other security at balance date to recognised financial assets is the carrying amount of those assets as disclosed in the balance sheet position and notes to the financial statements.

The company does not have any material credit risk exposure to any single receivable or company of receivables under financial instruments entered into by the company.

The credit risk for counterparties included in trade and other receivables at 30 June 2008 is detailed below:

	2008 $000	2007 $000
Trade and other receivables		
Counterparties not rated	482,795	429,570
Total	**482,795**	**429,570**

Notes to the Financial Statements

For year ending 30 June 2008

Note 16 FINANCIAL INSTRUMENTS

The tables below reflect the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the balance sheet.

	Weighted average effective interest rate		**Floating interest rate**	
	2008 %	**2007 %**	**2008 $000**	**2007 $000**
Financial assets:				
Cash and cash equivalents	7.25	6.35	1,498,711	1,503,745
Receivables	-	-	-	-
Total financial assets	7.25	6.35	**1,498,711**	**1,503,745**
Financial liabilities:				
Trade and sundry payables	-	-	-	-
Total financial liabilities	-	-	-	-

	Fixed interest rate maturing Within 1 year		**Non interest bearing**	
	2008 $	**2007 $**	**2008 $**	**2007 $**
Financial assets:				
Cash and cash equivalents	-	-	-	-
Receivables	-	-	482,795	429,570
Total financial assets	**-**	**-**	**482,795**	**429,570**
Financial liabilities:				
Trade and sundry payables	-	-	1,105,673	567,088
Total financial liabilities	**-**	**-**	**1,105,673**	**567,088**

Notes to the Financial Statements
For year ending 30 June 2008

Note 16 FINANCIAL INSTRUMENTS (continued)

	Total	
	2008	**2007**
	$	**$**
Financial assets:		
Cash and cash equivalents	1,498,711	1,503,745
Receivables	482,795	429,570
Total financial assets	**1,981,506**	**1,933,315**
Financial liabilities:		
Trade and sundry payables	1,105,673	567,088
Total financial liabilities	**1,105,673**	**567,088**

Trade and sundry payables are expected to be paid as followed:

	2008	**2007**
	$	**$**
Less than 6 months	1,105,673	567,088
6 months to 1 year	-	-
1 - 5 years	-	-
Over 5 years	-	-
	1,105,673	**567,088**

a) Net fair values

The net fair value of financial assets and financial liabilities approximates their carrying values. Aggregate net fair values and carrying amounts of financial assets and financial liabilities at balance date are presented in Note 16.

Notes to the Financial Statements
For year ending 30 June 2008

Note 16 FINANCIAL INSTRUMENTS (continued)

b) Sensitivity analysis

Interest rate risk

The company has performed sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks.

Interest Rate Sensitivity Analysis
At 30 June 2008, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	Amount of impact		**Result**	
	2008 **$**	**2007** **$**	**2008** **$**	**2007** **$**
Change in profit				
— Increase in interest rate by 1%	14,987	15,037	(131,572)	(84,599)
— Decrease in interest rate by 1%	(14,987)	(15,037)	(161,546)	(114,673)
Change in Equity				
— Increase in interest rate by 1%	14,987	15,037	(100,944)	45,665
— Decrease in interest rate by 1%	(14,987)	(15,037)	(130,918)	15,591

Note 17 HISTORICAL ERROR IN ACCOUNTING

a) The company has now determined that there has been an error in its measurement of subscriptions and income in advance dating back to 2005. Previously subscription receipts were fully taken up as income in the period of renewal or initial membership. The change to correct the error has resulted in income being taken up progressively over the term of the members' subscription period and with the unearned portion being treated as income in advance and allocated to the balance sheet as a current liability. The Research Reserve has at the same time been allocated back to retained earnings as at 30 June 2006 as a component of the error rectification adjustment.

In accordance with accounting standards the error has been corrected in these accounts as from 30 June 2006 and these 2008 financial statements are presented to reflect the appropriate accounting treatment for membership subscriptions in 2008 and in the comparative 2007 period.

The adjustment at 30 June 2006 was to create income in advance of $978,833 and reduce retained earnings by the same amount. The Research Reserve of $823,050 was transferred back to retained earnings.

30 June 2006 Retained Earnings	$286,047
Income in Advance Adjustment	($978,833)
Research Reserve transfer	$823,050
Restated Retained Earnings	$130,264

Notes to the Financial Statements
For year ending 30 June 2008

Note 17 HISTORICAL ERROR IN ACCOUNTING (continued)

The change in accounting policy has had the following effect on items in the annual financial statements for the year ended 30 June 2008 is as follows (no taxation effect results from these changes):

	2008			2007		
	Previous policy	**Policy change effect**	**Current policy**	**Previously stated**	**Adjustment for policy change**	**Restated**
	$	**$**	**$**	**$**	**$**	**$**
Income statement extract						
Revenue	6,945,421	(40,478)	6,904,943	6,412,853	(13,175)	6,399,678
Profit/(Loss) attributable to entity	(106,081)	(40,478)	(146,559)	(86,461)	(13,175)	(99,636)
Balance sheet extract						
Subscriptions in advance	76,778	1,032,486	1,109,264	148,577	992,008	1,140,585
Retained earnings	93,505	(209,436)	(115,931)	199,586	(168,958)	30,628
Research reserve	823,050	(823,050)	-	823,050	(823,050)	-

Note 18 NEW ACCOUNTING STANDARDS AND AASB INTERPRETATIONS

The following Australian Accounting Standards have been issued or amended and are applicable to CEDA but are not yet effective. They have not been adopted in preparation of the financial statements at reporting date.

AASB Amendment	Standards affected		Outline of amendment	Application date of standard	Application date for group
AASB 2007–3 Amendments to Australian Accounting Standards	AASB 102	Inventories	The disclosure requirements of AASB 114: Segment Reporting have been replaced due to the issuing of AASB 8: Operating Segments in February 2007. These amendments will involve changes to segment reporting disclosures within the financial report. However, it is anticipated there will be no direct impact on recognition and measurement criteria amounts included in the financial report	1.1.2009	1.7.2009
	AASB 107	Cash flow statements			
	AASB 119	Employee benefits			
	AASB 127	Consolidated and separate financial statements			
	AASB 134	Interim financial reporting			
	AASB 136	Impairment of assets			
	AASB 1023	General insurance contracts			
	AASB 1038	Life insurance contracts			
AASB 8 Operating Segments	AASB 114	Segment reporting	As above	1.1.2009	1.7.2009

Notes to the Financial Statements

For year ending 30 June 2008

Note 18 NEW ACCOUNTING STANDARDS AND AASB INTERPRETATIONS (continued)

AASB amendment	Standards affected		Outline of amendment	Application date of standard	Application date for group
AASB 2007–6 Amendments to Australian Accounting Standards	AASB 1	First time adoption of AIFRS	The revised AASB 123: Borrowing Costs issued in June 2007 has removed the option to expense all borrowing costs. This amendment will require the capitalisation of all borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset. However, there will be no direct impact to the amounts included in the financial group as they already capitalise borrowing costs related to qualifying assets.	1.1.2009	1.7.2009
	AASB 101	Presentation of financial statements			
	AASB 107	Cash flow statements			
	AASB 111	Construction contracts			
	AASB 116	Property, plant and equipment			
AASB 123 Borrowing Costs	AASB 123	Borrowing costs	As above	1.1.2009	1.7.2009
AASB 2007–8 Amendments to Australian Accounting Standards	AASB 101	Presentation of financial statements	The revised AASB 101: Presentation of Financial Statements issued in September 2007 requires the presentation of a statement of comprehensive income.	1.1.2009	1.7.2009
AASB 101	AASB 101	Presentation of financial statements	As above	1.1.2009	1.7.2009

Notes to the Financial Statements
For year ending 30 June 2008

Note 19 RELATED PARTIES

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

Key management personnel	Position
Scaffidi, Lisa	State Director, Western Australia-
Baddeley, Tomas	State Director, Western Australia
Box, Wayne	Financial Controller
Byers, David	Chief Executive Officer
Calder, Hamilton	State Director, South Australia and Northern Territory
Meek, Greg	State Director, Queensland
Edwards, David	State Director, Queensland
Harris, John	State Director, Victoria and Tasmania
Fitzgerald, Peter	State Director, Victoria and Tasmania
Rickard, Suzanne	State Director, New South Wales and ACT

Remuneration policy

The remuneration policy of the company has been designed to align key management personnel objectives with business objectives by providing a fixed remuneration component and offering specific short-term incentives based on key performance areas affecting the company's financial results. The board of the company believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best key management personnel to run and manage the company, as well as create goal congruence between directors, executives and the business.

The board's policy for determining the nature and amount of remuneration for key management personnel of the company is as follows:

- The remuneration policy, setting the terms and conditions for the key management personnel, was developed by and approved by the board after seeking professional advice from independent external consultants.
- All key management personnel receive a base salary (which is based on factors such as length of service and experience), superannuation, and fringe benefits.
- The board reviews key management personnel packages annually by reference to the company's performance, executive performance and comparable information from industry sectors.

The key management personnel receive a superannuation guarantee contribution required by the government, which is currently 9%, and do not receive any other retirement benefits. Some individuals, however, have chosen to sacrifice part of their salary to increase payments towards superannuation.

All remuneration paid to key management personnel is valued at the cost to the company and expensed. Under the company's constitution, directors (other than executive directors) are not remunerated.

Performance-based remuneration
As part of each of the key management personnel's remuneration package there is a performance-based component, consisting of key performance indicators (KPIs). The intention of this program is to facilitate goal congruence between key management personnel with that of the business. In determining whether or not a KPI has been achieved, the company bases the assessment on audited figures.

Refer below for an outline of key management personnel compensation.

	Short-term Benefits			Post- employment Benefits	Other	Total
	Cash, salary & commissions	**Non-cash benefit**	**Other**	**Superannuation**	**Long-term Benefits**	
	$	**$**	**$**	**$**	**$**	**$**
2008	982,131	-	121,586	88,392	27,970	1,220,079
2007	835,961	-	157,639	75,236	44,865	1,113,701

Notes to the Financial Statements
For year ending 30 June 2008

Note 20 COMPANY DETAILS

The registered office of the company is:
Level 5, NICTA Building
7 London Circuit
CANBERRA ACT 2600

The principal place of business is:
Level 13, 440 Collins Street
MELBOURNE VIC 3000

The company's principal activities are as shown in the Directors' report.

Directors' Declaration

1) The directors of the company declare that the financial statements and notes, as set out on pages 5 to 27 present fairly the company's financial position as at 30 June 2008 and its performance for the year ended on that date in accordance with Accounting Standards and other mandatory professional reporting requirements.

2) In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a Resolution of the Board of Directors and is signed for and on behalf of the Directors by:

Signed at Melbourne this 16th day of February 2009

In accordance with a Resolution of the Board of Directors.

D McTaggart
Director

GD Allen AM
Chair

Grant Thornton

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Independent Auditor's Report
To the Members of the Committee for Economic Development of Australia

We have audited the accompanying financial report of the Committee for Economic Development of Australia, which comprises the balance sheet as at 30 June 2008, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1 the directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

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, which require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance as to whether the financial report is free of 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 and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstance, 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 complied with applicable independence requirements of the Corporations Act 2001.

Electronic presentation of audited financial report
This auditor's report relates to the financial report of the Committee for Economic Development of Australia for the year ended 30 June 2008 included on the Committee for Economic Development of Australia's web site. The Company's directors are responsible for the integrity of the Committee for Economic Development of Australia's web site. We have not been engaged to report on the integrity of the Committee for Economic Development of Australia's web site. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

Basis for qualified auditor's opinion
The financial report of the Committee for Economic Development of Australia as at 30 June 2007, was audited by another auditor, Terry J Reeve, Turville, Reeve & Associates, whose report dated 4 October 2007, expressed an unqualified audit opinion on those statements. We have sought access to the 2007 workpapers and have not been able to inspect them. Accordingly we were unable to obtain sufficient appropriate audit evidence regarding the 2007 comparatives.

Qualified auditor's opinion

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to satisfy ourselves regarding the comparatives,

a the financial report of the Committee for Economic Development of Australia 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 2008 and of its performance for the year ended on that date; and

ii complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and

b the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Grant Thornton.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

D. A. Ashmore
Director – Audit & Assurance Services

Melbourne, 16th February 2009

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TO THE DIRECTORS OF THE COMMITTEE FOR ECONOMIC DEVELOPMENT OF AUSTRALIA

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of the Committee for Economic Development of Australia for the year ended 30 June 2008, I declare that, to the best of my knowledge and belief, there have been:

a No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

b No contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

D. A. Ashmore
Director – Audit & Assurance Services

Melbourne, 16th February 2009

Our Ref: INDEPENDENCE DECLARATION CEDA.DOC