ceda
committee for economic development of australia

Annual Financial Report

for the year ended 30 June 2011

Committee for Economic Development of Australia

ABN 49 008 600 922

Contents

Directors' Report

Your Directors have pleasure in presenting their report on the Company for the financial year ended 30 June 2011.

Directors

The names of the Directors in office at any time during, or since the end of, the year are:

G.D. Allen AM	Chairman		
S.P Martin	Chief Executive	Appointed	01-01-2011
R. Black			
R.R. Caplan		Appointed	30-11-2010
I.N. Ferres			
D. McTaggart			
S. Pitkin			
A.J. Poulsen			
A.C. Sherry		Appointed	30-11-2010
W.L. Smith AM		Appointed	30-11-2010
I.F Stirling		Appointed	30-11-2010
A.J. Tobin			
G. Withers AO			
L. Wood			
D.W. Byers		Resigned	15-10-2010
A. Howe		Resigned	30-11-2010
A.J. Kloeden		Resigned	30-11-2010
P.K.G. Ruthven		Resigned	30-11-2010

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

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

President	G.D. Allen AM
Chairman, Board of Directors	G.D. Allen AM

Company Secretary

The following person held the position of company secretary at the date of the report:
D.Kelly – Bachelor of Business (Accounting) and Fellow, Certified Practicing Accountant. Mr Kelly has had over 20 years experience in accounting within different organisations such as not for profit, commercial cleaning, import/wholesale, forestry and IT. Mr Kelly was appointed Company Secretary on 12 November 2008.

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.

CEDA's short and long term objectives remain the achievement of better policy outcomes for the Australian population through a range of economic research and advocacy.

To achieve these objectives the entity strives to attract and retain quality staff who can work in partnership with the Directors, Board of Governors and Trustees in support of CEDA's projects and other initiatives.

Staff strive to consistently meet best practice in all that they do and provide clear expectations of professional accountabilities and responsibilities to all stakeholders. KPI's set aim to ensure goal congruence with the entity's objectives and are measured against audited results.

Directors' Report

Information on Directors:

Geoffrey D. Allen AM	-	National President and Chairman of the Board, CEDA
	-	Founder and Director, The Allen Consulting Group P/L
	-	Chairman, Australian Centre for Corporate Public Affairs
	-	Director, European Centre for Public Affairs
	-	Chairman, Australian Statistical Advisory Council
	-	Member, Advisory Board, George Washington University Institute for Corporate Social Responsibility
	-	Asian Regional Editor, Journal of Public Affairs
Stephen P. Martin	-	Chief Executive, CEDA
	-	Member, Board of Governors, Global Science and Technology Forum, Singapore
	-	Visiting Professor, City University, Malaysia
Rufus Black	-	Master, Ormond College, The University of Melbourne
	-	Chairman, Teach for Australia
	-	Board member, Teach for All Inc (The Global Network for Expanding Educational Opportunity. New York)
	-	Chair, Human Research Ethics Committee, Walter and Eliza Hall Institute
	-	Member, Advisory Board, McDonald Centre for Theology, Ethics and Public Life in Oxford
	-	Principal Fellow, Melbourne Business School
	-	Principal Fellow in Philosophy, University of Melbourne
Russell R. Caplan	-	Director, Orica Limited
	-	Director, QR National Limited
	-	Chairman, Melbourne and Olympic Parks Trust
	-	Chairman, CRC CARE Pty Ltd
	-	Trustee, Australian Cancer Research Foundation
Ian N. Ferres	-	Consultant, TressCox Lawyers
	-	Chairman, Australian Healthcare Investment Company Ltd, TDI Pty Ltd and Vianova Asset Management Pty Ltd(Advisory Committee)
	-	Director, Australian Unity Limited and Contango MicroCap Limited.
	-	Member, Australia Day (Victoria) Committee
	-	President, The Australian Club (Melbourne)
Douglas McTaggart	-	Chief Executive, Queensland Investment Corporation
	-	Councillor, National Competition Council
	-	Member, COAG Reform Council
Sally Pitkin	-	Director Export Finance and Insurance Corporation
	-	Director, Super Retail Group Limited
	-	Director ASC Pty Ltd
	-	Member, Queensland Competition Authority
	-	Director, UQ Holdings Pty Ltd
A. John Poulsen	-	Managing Partner, Minter Ellison Perth
	-	Advisory Board, Curtin University Graduate School of Business
	-	WA Council, Australia China Business Council
	-	Director & Deputy Chair, Volunteering WA
	-	Board Member, International Skills Training Institute for Health (Inc).

Directors' Report

Information on Directors (continued):

Ann C. Sherry	-	Chief Executive Officer, Carnival Australia
	-	Director, Wilson Investment Group
	-	Director & Chair, Public Service Commission of Queensland
	-	Director, Jawun – Indigenous Corporate Partnerships
	-	Director, Australian Indigenous Education Foundation (AIEF)
	-	Director, Board Member, Council of the Australian National Maritime Museum
	-	Board Member, Australian Sports Commission
	-	Director, Advocacy Services Australia (ASA) Limited
	-	Director, ING Direct
	-	Deputy Chair, Tourism & Transport Forum Australia Ltd
	-	Member, Visa Senior Client Council
	-	Member, Independent Panel – National Disability Long-term Care and Support scheme
Warwick L. Smith AM	-	Chairman, ANZ Bank Ltd, NSW & ACT
	-	Chairman, Advisory Board, Australian Capital Equity Pty Ltd
Ian F. Stirling	-	Chief Executive Officer, ElectraNet Pty Ltd
	-	Director, The Chamber of Commerce and Industry in South Australia
	-	Director, Energy Supply Association of Australia
Anthony J. Tobin	-	Consultant, Gilbert + Tobin, Lawyers
	-	Director, TT Line Company Pty Ltd
	-	Chairman, Asian Renewable Energy Management Limited
	-	Director, Northcare Foundation
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
	-	Director, Australian Services Roundtable
	-	ANZSOG Fellow
Lynn Wood	-	Chairman, Noni B Limited
	-	Chairman, Financial Reporting Council
	-	Director, GPT Funds Management Ltd
	-	Director, External Reporting Board (NZ)
David W. Byers	-	Chief Executive Officer, CEDA (Resigned, 15 October 2010)
Anne Howe	-	Director & 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, Government Planning Co-ordinating Committee.
Adrian J. Kloeden	-	Chairman, Serco Asia Pacific Advisory Board
	-	Member of Council, Deakin University
	-	Chairman, Forestry Tasmania
	-	Director, Infrastructure Partnerships Australia
	-	Director, Greencap Limited
Phil K.G. Ruthven	-	Chairman, IBIS World Pty Ltd

Directors' Report

Information on Directors (continued):

Meetings of Directors:

	Directors' Meetings	
	Number Eligible	**Number Attended**
G.D. Allen AM	5	4
S.P. Martin	3	3
R. Black	5	3
R.R. Caplan	3	1
I.N. Ferres	5	5
D. McTaggart	5	4
S. Pitkin	5	4
A.J. Poulsen	5	1
A.C. Sherry	3	0
W.L. Smith AM	3	1
I.F. Stirling	3	3
A.J. Tobin	5	5
G. Withers AO	5	4
L. Wood	5	5
D.W. Byers	1	1
A. Howe	2	1
A.J. Kloeden	2	2
P.K.G. Ruthven	2	2

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CEDA is an approved research institute under Section 73A of the Income Tax Assessment Act. The entity is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. In the event of winding up each member is liable for a sum not exceeding $500 towards meeting any outstanding obligations of the entity. At 30 June 2011 the collective liability of members was $451,000 (2010: $431,000).

Note: A.C. Sherry was granted a leave of absence from the Board due to pre-existing commitments clashing with CEDA Board meeting dates.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2011 has been received and can be found on page 27, and forms part of the directors' report.

Signed at Melbourne this 12 day of September, 2011

In accordance with a Resolution of the Board of Directors.]

DIRECTOR .
G.D. Allen AM
Chairman

DIRECTOR .
S.P. Martin
Director

Statement of Comprehensive Income

For year ended 30 June 2011

	NOTE	2011 $	2010 $
Revenue	2	7,930,716	7,050,094
Auditors Remuneration	3	(25,000)	(23,000)
Bad and Doubful Debt Expense	3	-	2,428
Depreciation and Amortisation Expense	3	(231,135)	(186,822)
Employee Benefits Expense		(3,622,578)	(3,450,411)
Finance costs	3	(12,511)	(14,146)
Lease Expense	3	(585,270)	(678,804)
Research and Related Conferences and Briefings Expense		(2,064,392)	(1,707,387)
Other Operating Expenses		(1,028,130)	(922,623)
Profit / (Loss) Attributable to Entity		361,700	69,330
Other Comprehensive Income		-	-
Total Comprehensive Income for the Year		361,700	69,330

Statement of Financial Position

As at 30 June 2011

	NOTE	2011 $	2010 $
CURRENT ASSETS			
Cash and Cash Equivalents	4, 14, 15,16	2,464,304	2,010,175
Trade and Other Receivables	5, 15, 16	619,797	681,455
Other Current Assets	6	160,586	199,170
TOTAL CURRENT ASSETS		3,244,687	2,890,800
NON CURRENT ASSETS			
Plant and Equipment and Leasehold Improvements	7	734,449	615,350
Intangibles	8	138,574	182,555
TOTAL NON CURRENT ASSETS		873,023	797,905
TOTAL ASSETS		**4,117,710**	**3,688,705**
CURRENT LIABILITIES			
Trade and Other Payables	9, 16	969,925	1,005,980
Borrowings	12, 16	50,649	18,259
Short - Term Provisions	10	156,407	145,128
Subscriptions and Income in Advance	11	1,728,818	1,771,291
TOTAL CURRENT LIABILITIES		2,905,799	2,940,658
NON CURRENT LIABILITIES			
Borrowings	12, 16	47,752	22,823
Long - Term Provisions	10	266,692	189,457
TOTAL NON CURRENT LIABILITIES		314,444	212,280
TOTAL LIABILITIES		**3,220,243**	**3,152,938**
NET ASSETS		**897,467**	**535,767**
EQUITY			
Retained Earnings / (Losses)		897,467	535,767
TOTAL EQUITY		**897,467**	**535,767**

The accompanying notes form part of these Financial Statements.

Statement of Changes in Equity

For year ended 30 June 2011

	$ Retained Earnings	$ Total Equity
Balance at 1 July 2009	**466,437**	**466,437**
Total Comprehensive Income	69,330	69,330
Balance at 30 June 2010	**535,767**	**535,767**
Total Comprehensive Income	361,700	361,700
Balance at 30 June 2011	**897,467**	**897,467**

Statement of Cash Flows
For year ended 30 June 2011

	NOTE	2011 $	2010 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Subscriptions		2,507,025	2,825,841
Research & related conferences and briefings		5,307,483	4,391,018
Payments to suppliers & employees		(7,220,873)	(6,735,774)
Interest received		93,999	64,494
Sundry Income		26,595	-
Borrowing costs		(12,511)	(14,146)
NET CASH PROVIDED BY / (USED IN) OPERATING ACTIVITIES	**14(b)**	**701,718**	**531,433**
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of plant & equipment		14,865	-
Purchase of plant, equipment & intangibles		(319,774)	(163,010)
NET CASH PROVIDED BY / (USED IN) INVESTING ACTIVITIES		**(304,909)**	**(163,010)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		97,172	-
Repayment of borrowings		(39,852)	(18,259)
NET CASH PROVIDED BY / (USED IN) FINANCING ACTIVITIES	**12(a)**	**57,320**	**(18,259)**
NET INCREASE / (DECREASE) IN CASH HELD		454,128	350,164
CASH AT BEGINNING OF YEAR	14(a)	2,010,175	1,660,011
CASH AT END OF YEAR	**14(a)**	**2,464,304**	**2,010,175**

Notes to the Financial Statements

For year ended 30 June 2011

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. Committee for Economic Development of Australia is a company limited by guarantee, incorporated and domiciled in Australia.

The financial report of 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.

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.

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%

Notes to the Financial Statements

For year ended 30 June 2011

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.

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 six months (on average) 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 Subscriptions Income in Advance.

Notes to the Financial Statements

For year ended 30 June 2011

g) Revenue (continued)

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

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.

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.

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.

Notes to the Financial Statements

For year ended 30 June 2011

k) Critical Accounting Estimates and Judgments (continued)

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 $15,000 has been made at 30 June 2011.

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 for the 2011 financial year.

The financial report was authorised for issue on 12 September 2011 by the Board of Directors.

Notes to the Financial Statements

For year ended 30 June 2011

Note 2 REVENUE

	2011 $	2010 $
Operating Activities		
Subscriptions	2,549,498	2,353,269
Research and Related Conferences and Briefings	5,260,624	4,632,331
	7,810,122	**6,985,600**
Non Operating Activities		
Interest - other persons	93,999	64,494
Sundry Income	26,595	-
Total Revenue	**7,930,716**	**7,050,094**

Note 3 PROFIT FROM ORDINARY ACTIVITIES

Profit from Ordinary Activities has been determined after:

Expenses:

	2011 $	2010 $
Finance Costs:		
Other Parties	12,511	14,146
	12,511	**14,146**
Depreciation of Plant and Equipment	139,496	122,818
Amortisation	91,639	64,004
Doubtful Debts - Trade Receivables	14,799	(2,428)
Net (Gain)/Loss on Disposal Plant & Equipment	1,344	558
Rental Expense on Operating Leases		
Minimum Lease Payments	585,270	678,804
Remuneration of the Auditors:		
Audit or Reviewing the Financial Report	25,000	23,000
Other Services	-	-

Note 4 CASH AND CASH EQUIVALENTS

	2011 $	2010 $
Cash at Bank and in Hand	121,598	205,384
Short Term Bank Deposits	2,342,706	1,804,791
	2,464,304	**2,010,175**

The effective interest rate on short-term bank deposits was 6.00% (2010: 4.52%). These deposits have an average maturity of 180 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.

Notes to the Financial Statements

For year ended 30 June 2011

		2011 $	2010 $
Note 5	**TRADE AND OTHER RECEIVABLES**		
	Trade Debtors	517,976	565,352
	Sponsorship	172	9,074
	GST Input Credits	116,649	112,029
	Provision for Doubtful Debts	(15,000)	(5,000)
		619,797	**681,455**

	Total $
Provision for Doubtful Debts	
Opening Balance at 1 July 2010	5,000
Additional Provisions	14,799
Provisions written back	-
Amounts Used	(4,799)
Balance at 30 June 2011	**15,000**

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 2011 current trade receivables with a nominal value of $15,000 (2010 - $5,000) were impaired. The amount of the provision was $15,000 (2010 - $5,000) . The individually impaired receivables mainly relate to event registrations from entities, which are in unexpectedly difficult economic situations.
The ageing of these receivables is as follows:

	2011	2010
1 to 3 months	310	-
3 to 6 months	5,195	-
Over 6 months	9,495	5,000
	15,000	**5,000**

Note 5(b) **Past due but not impaired**

As of 30 June 2011, trade receivables of $214,249 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 analysis of these trade receivables is as follows:

	2011	2010
Up to 3 months	171,182	150,750
3 to 6 months	43,067	67,744

		2011	2010
Note 6	**OTHER CURRENT ASSETS**		
	Prepayments	160,586	199,170
		160,586	**199,170**

Notes to the Financial Statements

For year ended 30 June 2011

		2011 $	2010 $
Note 7	**PLANT AND EQUIPMENT, LEASEHOLD IMPROVEMENTS**		
	Plant and Equipment - At Cost	439,448	266,249
	Less: Accumulated Depreciation	(211,274)	(168,294)
	TOTAL PLANT & EQUIPMENT	**228,174**	**97,955**
	Leasehold Improvements & Makegoods	834,982	754,463
	Less: Accumulated Depreciation	(328,707)	(237,068)
	TOTAL LEASEHOLD IMPROVEMENTS	**506,275**	**517,395**
	TOTAL PLANT AND EQUIPMENT, LEASEHOLD IMPROVEMENT	**734,449**	**615,350**

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 $	Makegood Bris Lease $	TOTAL $
Balance at the beginning of the year	97,955	417,886	63,750	35,759	-	615,350
Additions	189,585	42,420	15,000	16,300	35,000	298,305
Assets disposed / scrapped	(7,047)	(6,475)	-	-	-	(13,522)
Depreciation and Amortisation Expense	(52,319)	(74,982)	(16,080)	(18,803)	(3,500)	(165,684)
Carrying amount as at 30 June 2011	**228,174**	**378,849**	**62,670**	**33,256**	**31,500**	**734,449**

The carrying value of assets purchased with Finance Lease is $128,359 (2010 carrying value $58,670)

Notes to the Financial Statements

For year ended 30 June 2011

		2011 $	2010 $
Note 8	**INTANGIBLES**		
	Software	290,707	269,236
	Less: Accumulated Amortisation	(152,133)	(86,681)
		138,574	**182,555**

Note 8a **Movements in Carrying Amounts**

Movements in the carrying amount of intangibles between the beginning and the end of the current financial year.

	TOTAL $
Balance at the beginning of the year	182,555
Additions	21,471
Amortisation expense	(65,452)
Carrying amount as at 30 June 2011	**138,574**

		2011 $	2010 $
Note 9	**TRADE AND OTHER PAYABLES**		
	Unsecured Liabilities		
	Trade Payables	423,856	397,108
	Sundry Payables and Accrued Expenses	322,213	354,465
	GST Collected	223,856	254,407
		969,925	**1,005,980**
Note 10	**PROVISIONS**		
	Current	156,407	145,128
	Non Current	266,692	189,457
		423,099	**334,585**

	Employee Benefits $	Make Good Melbourne Lease $	Make Good Sydney Lease $	Make Good Brisbane Lease $	Total $
Opening Balance at 1 July 2010	173,674	85,000	75,911	-	334,585
Additional Provisions	213,099	15,000	14,089	35,000	277,188
Amounts Used	(188,674)	-	-	-	(188,674)
Balance at 30 June 2011	**198,099**	**100,000**	**90,000**	**35,000**	**423,099**

Notes to the Financial Statements

For year ended 30 June 2011

Note 10 **PROVISIONS con't**

Make Good Provisions

A provision has been recognised for lease commitments to settle the make good requirement at the conclusion of the lease. The various leases are detailed in Note 12.

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.

Note 11 **SUBSCRIPTIONS AND INCOME IN ADVANCE**

	2011 $	2010 $
Subscriptions in Advance	1,098,410	1,203,299
Sponsorship & Conference Centre Income in Advance	630,407	567,992
	1,728,818	**1,771,291**

Note 12 **CAPITAL AND LEASING COMMITMENTS**

a) Finance Lease Commitments

	2011 $	2010 $
Payable: Minumum Lease Payments		
Not later than 12 months	60,440	21,905
Between 12 months and 5 years	56,856	27,381
Greater than 5 years	-	-
Minimum Lease Payments	117,296	49,286
Less future finance charges	(18,895)	(8,204)
Present value of minimum lease payments	**98,401**	**41,082**

Leases, of which there are two, the first is for furniture purchased for the Melbourne Office commencing in 2008 and ending in 2012. It is a 4 year lease with no residual. The second is for computer hardware, commencing Nov 2010 and ending Nov 2013. A 3 year lease with no residual. No debt covenants or other such arrangements are in place.

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

	2011 $	2010 $
Payable: Minumum Lease Payments		
Not later than 12 months	680,268	573,755
Between 12 months and 5 years	823,971	917,968
Greater than 5 years	-	-
	1,504,239	**1,491,723**

Notes to the Financial Statements

For year ended 30 June 2011

Note 12 **CAPITAL AND LEASING COMMITMENTS (Continued)**

DETAILS OF PROPERTY LEASES

i) Melbourne

The lease is a non cancellable lease with a five year term commencing 1 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 lease 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 1 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 1 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. The option was exercised in September 2010 and the lease now expires in December 2015.

iv) Brisbane

The lease is a non cancellable lease with a five year term commencing 1 January 2011 with rent payable monthly in advance. There is no option to renew.

v) Perth

The lease is a non cancellable lease with a three year term commencing 1 October 2009 with rent payable monthly in advance. An option exists to renew the lease at the end of the three year term for an additional term of three years.

Note 13 **SEGMENT REPORTING**

CEDA is an individual entity, Committee for Economic Development of Australia, and operates in one business and geographic segment.

Notes to the Financial Statements

For year ended 30 June 2011

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:

	2011 $	2010 $
Cash at Bank and in Hand	121,598	205,384
Short term Deposits including accrued interest with Financial Institutions	2,342,706	1,804,791
	2,464,304	**2,010,175**

CEDA has three bank guarantees. The first is for the Sydney office to Permanent Trustee Australia Limited for $163,827 and the second is for the Melbourne office to Enwerd Pty Ltd for $115,907. The third is for the Brisbane office and is to Charter Hall Property Management for $86,769.
CEDA has restricted cash totalling the above guarantees secured by the NAB to cover these liabilities.

b) Reconciliation of Cash Flows from Operations to Loss from Ordinary Activities

	2011 $	2010 $
Profit / (Loss) from ordinary activities	361,700	69,330
Non - Cash Flows in Profit from Ordinary Activities		
Depreciation and amortisation	231,136	186,822
Net Loss on Disposal of Plant & Equipment	(1,345)	558
Changes in Assets and Liabilities:		
Decrease / (Increase) in Trade and Other Receivables	61,658	(243,741)
Decrease / (Increase) in Prepayments	38,584	(40,841)
Increase / (Decrease) in Trade and Other Payables	(36,056)	66,498
Increase / (Decrease) in Other Subs and Fees in Advance	(42,473)	472,572
Increase / (Decrease) in Provisions	88,514	20,235
CASH FLOWS FROM OPERATIONS	**701,718**	**531,433**

Note 15 **FINANCIAL RISK MANAGEMENT**

The company's activities expose it to a variety of financial risks: interest rate risk, credit risk and liquidity 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. The company prepares forward looking cash flow analyses in relation to its operational, investing and financing activities to manage liquidity risk.

Notes to the Financial Statements

For year ended 30 June 2011

Note 15 **FINANCIAL RISK MANAGEMENT (Continued)**

a) Interest Rate Risk

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

	2011 $	2010 $
Variable rate instruments		
Financial Assets	2,464,304	2,010,175

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 in Note 16(b). This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for 2010.

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 2011 is detailed below:

	2011 $	2010 $
Trade and other receivables		
Counterparties not rated	619,797	681,455
Total	**619,797**	**681,455**

Notes to the Financial Statements

For year ended 30 June 2011

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	
	2011 %	2010 %	2011 $	2010 $
Financial Assets:				
Cash and cash equivalents	6.00	4.52	2,464,304	2,010,175
Receivables	-	-	-	-
Total Financial Assets	6.00	4.52	**2,464,304**	**2,010,175**
Financial Liabilities:				
Trade and sundry payables	-	-	-	-
Total Financial Liabilities	-	-	-	-

	Fixed Interest Rate Maturing Within 1 Year		Non Interest Bearing	
	2011 $	2010 $	2011 $	2010 $
Financial Assets:				
Cash and cash equivalents	-	-	-	-
Receivables	-	-	619,797	681,455
Total Financial Assets	**-**	**-**	**619,797**	**681,455**
Financial Liabilities:				
Trade and sundry payables	-	-	969,925	1,005,980
Borrowings	50,649	18,259	-	-
Total Financial Liabilities	**50,649**	**18,259**	**969,925**	**1,005,980**

	1 to 5 Years		Non Interest Bearing	
	2011 $	2010 $	2011 $	2010 $
Financial Liabilities:				
Trade and sundry payables	-	-	-	-
Borrowings	47,752	22,823	-	-
Total Financial Liabilities	**47,752**	**22,823**	**-**	**-**

Notes to the Financial Statements

For year ended 30 June 2011

Note 16 **FINANCIAL INSTRUMENTS (Continued)**

Liquidity Risk

Liquidity risk arises from the possibility that the company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The company manages the risk through the following mechanisms:

Preparing forward cash flow analysis in relation to operational, investing and financing activities;

Maintaining a reputable credit profile;

Managing credit risk relating to financial assets;

Investing surplus cash only with major financial institutions; and

Comparing the maturity profile of financial liabilities with the realization profile of financial assets.

	Total	
	2011	2010
	$	$
Financial Assets:		
Cash and cash equivalents	2,464,304	2,010,175
Receivables	619,797	681,455
Total Financial Assets	**3,084,101**	**2,691,630**
Financial Liabilities:		
Trade and sundry payables	969,925	1, 005,980
Borrowings	98,401	41,082
Total Financial Liabilities	**1,068,326**	**1,047,062**

Financial Liabilities are expected to be paid as follows:

	2011	2010
	$	$
Less than 6 months	995,249	1,015,110
6 months to 1 year	25,325	9,129
1 - 5 years	47,752	22,823
Over 5 years	-	-
	1,068,326	**1,047,062**

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 the respective financial statement notes.

Notes to the Financial Statements
For year ended 30 June 2011

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 2011, 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	
	2011 $	2010 $	2011 $	2010 $
Change in profit				
— Increase in interest rate by 1%	24,643	20,100	386,343	89,430
— Decrease in interest rate by 1%	(24,643)	(20,100)	337,057	49,230
Change in Equity				
— Increase in interest rate by 1%	24,643	20,100	922,110	555,867
— Decrease in interest rate by 1%	(24,643)	(20,100)	872,824	515,667

Note 17 **NEW ACCOUNTING STANDARDS AND AASB INTERPRETATIONS**

Certain new accounting standards and AASB interpretations have been published that are not mandatory for 30 June 2011 reporting periods but contain an option for early adoption. The company has reviewed each of these new standards and interpretations and is satisfied that they have no impact on the reported financial position and performance of the Company for the year ended 30 June 2011 and therefore there has been no early adoption of these standards.

Notes to the Financial Statements
For year ended 30 June 2011

Note 18 **CAPITAL MANAGEMENT**

Management controls the capital of the entity to ensure that adequate cash flows are generated to fund its operational programs and that returns from investments are maximised. The Audit & Risk Committee ensures that the overall risk management strategy is in line with this objective.

The Audit & Risk Committee operates under policies approved by the Board of Directors. Risk management policies are approved and reviewed by the Board on a regular basis. These include credit risk policies and future cash flow requirements.

The entity's capital consists of financial liabilities supported by financial assets.

Management effectively manages the entity's capital by assessing the entity's financial risks and responding to changes in these risks and in the market. These responses may include the consideration of debt levels.

There have been no changes to the strategy adopted by management to control the capital of the entity since the previous year.

	Note	2011 $	2010 $
Total Borrowings	12	98,401	41,082
Total Equity (reserves + retained earnings)		897,467	535,767
Total Capital		**995,868**	**576,849**
Gearing Ratio		9.9%	7.1%

Notes to the Financial Statements

For year ended 30 June 2011

Note 19 **KEY MANAGEMENT PERSONNEL COMPENSATION**

In addition to the Directors, the names and positions held of the key management personnel in office at any time during the financial year are:

Key Management Person	Position
Byers, David	Chief Executive Officer (up to 15-10-2010)
Calder, Hamilton	SA - State Director
Fitzgerald, Peter	VIC - State Director
Fleming, Susan	WA – State Director (from 12-10-2009)
Fuller, Robert	QLD – State Director (up to 12-10-2009)
Kelly, Damian	Finance Director
McClellan, Robin	WA – State Director (up to 12-10-2009)
Martin, Stephen	Chief Executive Officer (from 01-01-2011)
Murphy, Kyl	QLD – State Director (from 12-10-2009)
Rickard, Suzanne	NSW - State Director

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 long-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	
	$	$	$	$	$	$
2011	999,215	-	207,250	105,207	21,553	1,333,225
2010	1,028,597	-	156,289	105,219	25,670	1,315,775

Notes to the Financial Statements
For year ended 30 June 2011

Note 20 **RELATED PARTY TRANSACTIONS**

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated.

Note 21 **COMPANY DETAILS**

The registered office of the company is:
10th Floor, St George Centre
60 Marcus Clarke Street
CANBERRA ACT 2600

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

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

Note 22 **MEMBERS' GUARANTEE**

The entity is incorporated under the *Corporations Act 2001* and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of $500 each towards meeting any outstandings and obligations of the entity. At 30 June 2011 the number of members was 902.

Note 23 **EVENTS AFTER THE BALANCE DATE**

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.

Directors' Declaration

1) The directors of the company declare that the financial statements and notes, as set out on pages 5 to 26 are in accordance with the *Corporations Act 2001* and present fairly the company's financial position as at 30 June 2011 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 12 day of September, 2011

In accordance with a Resolution of the Board of Directors.

DIRECTOR	DIRECTOR
G.D. Allen AM Chairman	S.P. Martin Director

Grant Thornton

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Auditor's Independence Declaration
To the Directors of 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 Committee for Economic Development of Australia for the year ended 30 June 2011, 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

David Ashmore
Director - Audit & Assurance

Melbourne, 12 September 2011

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

We have audited the accompanying financial report of Committee for Economic Development of Australia (the "Company"), which comprises the statement of financial position as at 30 June 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the company .

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 of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Act 2001. This responsibility includes such internal controls as the Directors determine are necessary to enable the preparation of the financial report to be 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 which require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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.

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In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial report 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 Company'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.

Auditor's opinion

In our opinion:

a the financial report of 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 2011 and of its performance for the year ended on that date; and

b complying with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Regulations 2001

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

David Ashmore
Director - Audit & Assurance

Melbourne, 12 September 2011