2008

ACER 2007-2008 Annual Report

Australian Council for Educational Research (ACER)

Follow this and additional works at: http://research.acer.edu.au/ar
Part of the Educational Assessment, Evaluation, and Research Commons

Recommended Citation
http://research.acer.edu.au/ar/8

This Article is brought to you by ACEReSearch. It has been accepted for inclusion in Annual Reports by an authorized administrator of ACEReSearch. For more information, please contact repository@acer.edu.au.
The Australian Council for Educational Research (ACER) is an independent, not-for-profit organisation which provides state-of-the-art educational research, products and services.

Established in 1930, ACER has a long history and solid reputation as a provider of non-aligned, reliable support and expertise to education policy makers and professional practitioners. It receives no direct financial support from government and generates its entire income through contracted research and development projects, and through products and services that it develops and distributes.

ACER is a leader in the provision of quality educational research, both within Australia and internationally. As a national, independent research body, ACER brings a high level of expertise and objectivity to its work. One of ACER’s great strengths is its people. Members of the research team have extensive experience and expertise in a range of disciplines and research methods. ACER also supports the work of professional practitioners through the development and provision of a range of research-based products and services.

ACER works in an increasingly international context, providing consultancy and professional development support to several countries establishing national assessment programs, as well as undertaking commissioned research and providing assessment services to a broad range of international clients.

Today, ACER is one of the world’s leading educational research centres, committed to creating and distributing research-based knowledge, products and services to improve learning across the lifespan in both formal and informal settings.
Mission

Improving Learning

Our mission is to create and promote knowledge and tools that can be used to improve learning.

Values

1. **Expertise** — producing high quality, innovative research and research-based services and materials to improve learning
2. **Innovation** — taking a creative, flexible and bold approach to the development of knowledge, services and materials
3. **Independence** — providing advice and commentary that is informed through research, is authoritative, and non-aligned
4. **Integrity** — being ethical, honest and trustworthy in all our relationships and interactions
5. **Responsiveness** — anticipating, understanding, meeting and exceeding client and customer expectations
6. **Reflection & improvement** — being self-reflective and listening to and learning from others in order to improve the quality of our work, our efficiency and productivity
7. **Positive relationships** — creating an organisational environment characterised by respect, fairness, openness and support of physical and emotional wellbeing
8. **Individual fulfilment** — encouraging personal contribution and achievement, and the pursuit of excellence

Organisational structure ...........................................................2
A message from the CEO .......................................................3
The year in review .....................................................................4
Sustainability report ....................................................................6
Professional learning and equal opportunity for women ............8
07–08 on record ...........................................................................9
Commissioned projects ...........................................................10
Staff publications ......................................................................14
Directors’ report ......................................................................18
Auditor’s independence declaration .......................................20
Financial report ........................................................................21
Directors’ declaration ...........................................................54
Independent audit report .......................................................55
Members of ACER Council ...................................................57
Members of ACER staff ..........................................................58
ACER is an independent, not-for-profit company, the members of which are the ten members of the ACER Council. For a list of the Members of ACER Council, see page 57.

### Organisational structure 07–08

ACER is an independent, not-for-profit company, the members of which are the ten members of the ACER Council. For a list of the Members of ACER Council, see page 57.

<table>
<thead>
<tr>
<th>Deputy CEO (Research)</th>
<th>Director Corporate Development</th>
<th>Deputy CEO (Professional Resources)</th>
<th>Director International Development</th>
<th>Director Assessment Services</th>
<th>Director Corporate Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>John Ainley</td>
<td>Robert Moore</td>
<td>Pamela Macklin</td>
<td>Peter McGuckian</td>
<td>Deirdre Jackson</td>
<td>Wayne Dawes</td>
</tr>
</tbody>
</table>

**Chief Executive Officer**

Geoff Masters

<table>
<thead>
<tr>
<th>Assessment and Reporting</th>
<th>Director of Human Resources</th>
<th>ACER Press</th>
<th>ACER Leadership Centre</th>
<th>Centre for Professional Learning</th>
<th>Cunningham Library and Record Services</th>
<th>Marketing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Margaret Forster</td>
<td>Suzanne Coyle</td>
<td>Ralph Saubern</td>
<td>Neil Carrington</td>
<td>Kerry-Anne Hoad</td>
<td>Lance Deveson</td>
<td>Annemarie Rolls</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Teaching, Learning and Leadership</th>
<th>Policy Analysis and Program Evaluation</th>
<th>Systemwide Testing</th>
<th>Transitions and Post-school Education and Training</th>
</tr>
</thead>
<tbody>
<tr>
<td>Steve Dinham</td>
<td>Adrian Beavis</td>
<td>Chris Freeman</td>
<td>Phil McKenzie</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>National and International Surveys</th>
<th>School Education</th>
<th>Corporate Communications</th>
<th>Facilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>John Ainley</td>
<td>Adele Butler</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Corporate and Vocational Training</th>
<th>Project Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Larry Foster</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Higher Education</th>
<th>Information Technology</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marita MacMahon Ball</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Corporate and Vocational Training</th>
<th>Project Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Larry Foster</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Systemwide Testing</th>
<th>Corporate Communications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chris Freeman</td>
<td>Facilities</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Transitions and Post-school Education and Training</th>
<th>Corporate and Vocational Training</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phil McKenzie</td>
<td>Larry Foster</td>
</tr>
</tbody>
</table>
ACER has had another successful year in 2007-08, making valuable contributions to knowledge about improving learning and also achieving a sound financial result.

In April I took part in the Australia 2020 Summit at Parliament House in Canberra, as part of the early childhood and school education sub-stream. The Summit was an initiative aimed at harnessing the best ideas for building a modern Australia ready for the challenges of the 21st century. It identified the need for more seamless, national approaches to our most pressing educational challenges – including a greater focus on development in early childhood and on the needs of Indigenous students and students living in remote and disadvantaged areas of Australia.

A question posed at the Summit was: What would it take for Australia to develop the best education system in the world? Many ideas were proposed, but there was general agreement that keys included addressing the needs of disadvantaged and low-achieving students; ensuring that every child has access to an excellent teacher; investing more in education and training; and encouraging local partnerships between schools, businesses, parents and their communities.

The results for the OECD Programme for International Student Assessment (PISA) 2006 were released in December 2007 and received a large amount of media coverage. ACER led a consortium of research and educational institutions and eminent individuals, and held the major contract to deliver the International PISA project on behalf of the OECD. ACER also conducted the Australian component of the project.

ACER’s office accommodation changed significantly during the year. Most staff are now based in the main office in Prospect Hill Road, Camberwell, which was connected to the adjacent Railway Parade building. The Operations Centre in Mulgrave accommodates Project Services and online marking facilities. The Brisbane office also moved to new leased office space.

ACER is well placed to continue developing its role as a research leader in a range of areas, both in Australia and internationally.

Professor Geoff Masters
Chief Executive Officer
The year in review

ACER achieved a pleasing financial result in 2007–08, with a surplus of $1 902 940 (excluding the sale of a property). The record level of income, at more than $55 million, is 11.3 per cent above last year. The surplus was close to budget and the second highest ever achieved. This outcome was achieved in a year of major property and accommodation projects.

ACER was involved in a range of national and international educational research projects and initiatives throughout 2007–08.

CEO Professor Geoff Masters was invited to participate in the national 2020 Summit discussions of the Rudd government’s productivity agenda in April.

In August Professor Masters prepared a paper for the Business Council of Australia (BCA) on policy considerations in Australian education. The BCA used the paper to call for increased government funding of Australian schools, an increased focus on early intervention, increased financial recognition of highly accomplished teachers, and stronger links between schools and business. Professor Masters was subsequently invited to join the BCA Education, Skills and Innovation Task Force.

The annual ACER Research Conference in August 2007 was titled The Leadership Challenge: Improving Learning in Schools. The Melbourne conference was very successful, with some 650 delegates attending.

The results for the OECD Programme for International Student Assessment (PISA) 2006 were released in December 2007 and received a large amount of media coverage. The international Journal of Applied Measurement published a special issue on PISA. The Fall 2007 issue was entirely prepared by ACER staff. In May and June the field trial for PISA 2009 took place in all 66 participating countries.

ACER undertook considerable work for various aspects of the National Assessment Program in Literacy and Numeracy (NAPLAN) 2008 and 2009. In March 2008 Curriculum Corporation commissioned ACER to conduct the data analysis for the 2008 NAPLAN. From 2008 onwards the National Assessment Program includes full-cohort assessment of Years 3, 5, 7 and 9 using common tests. ACER was contracted to mark some of the writing tasks. ACER also supported Curriculum Corporation in standardising training and quality assurance processes for the 2008 NAPLAN writing program.

In April 2008 the results of the first Australasian Survey of Student Engagement (AUSSE) were released. ACER managed the survey of more than 9000 students from 25 Australian and New Zealand universities in 2007. Australian and New Zealand tertiary students are less engaged with their universities than their North American counterparts, according to the study. Student engagement data provide an important source of information on educational quality.
The Staff in Australia’s Schools (SIAS) project, undertaken by ACER in collaboration with the Australian College of Educators, gathered information from over 13,000 secondary and primary school teachers and leaders across the country. It aimed to address key gaps in the data available about the teaching profession. The project involved extensive consultations with key stakeholder groups on data needs and processes to support long-term workforce planning.

The status of the ACER office in India was changed from that of a ‘liaison’ office to a wholly owned subsidiary – Australian Council for Educational Research India Private Limited.

On 1 July ACER created three business units within Assessment Services: Schools; Higher Education; and Corporate and Vocational. With this change Assessment Services was elevated to the status of a division.

During the year the ACER Bookshop was established. This specialty educational bookshop sells a wide range of quality resources for professionals working in and around education, including but not limited to ACER Press publications and distributed titles.

ACER obtained a 2008 EOWA Employer of Choice for Women citation. The Equal Opportunity for Women in the Workplace Agency (EOWA) awards this citation on an annual basis and ACER was one of 99 organisations across Australia to receive the award this year.

There were significant changes to ACER’s office accommodation in 2007–08. The main office in Prospect Hill Road, Camberwell was connected to the adjacent Railway Parade building, and the fit out completed. The office at 347 Camberwell Rd was sold and vacated, sections of the Prospect Hill Road building were renovated, a bookshop was established, and the move of the warehouse and customer service unit to the ACER Operations Centre in Mulgrave was completed. Approximately 170 staff moved office as a result of these changes. This arrangement was later altered, with Project Services moving to the Operations Centre in Mulgrave and customer service moving back to Prospect Hill Road. The Operations Centre in Mulgrave now accommodates Project Services and more than 60 computers for online marking. The Brisbane office also moved to new leased office space. Our property initiatives caused some disruption but have provided quality accommodation and set the foundations for our future growth.
ACER senior management and the Environmental Reference Group (ERG), which is made up of interested staff working in a voluntary capacity, have worked together to manage and reduce the impact of ACER’s operations on the environment.

ACER has been participating in the Greenhouse Challenge, now called Greenhouse Challenge Plus, since 2001. The program enables Australian companies to form working partnerships with the government to improve energy efficiency and reduce greenhouse gas emissions.

The Desert™ Cube system of waterless urinals was introduced in the Sydney office during 2007. These have now been installed in the Camberwell offices. A conservative estimate is that ACER is saving over 250,000 litres of water per year.

The ACER Press Production Manager has introduced a range of environmental initiatives. ACER Press has moved increasingly to use paper stock that is wood-free offset, elemental chlorine free, from sustainable forests and processed in a mill with ISO14001 accreditation. ACER uses printers who have either achieved ISO9000 or ISO14000 accreditation or are working towards these. All suppliers have been advised that working with ACER will become contingent on their environmental policy and achieving accreditation.

The ERG revisited ACER’s recycled paper procurement. It had been identified that paper was imported from the UK, and the carbon impact of this was queried. The stockist reassured the ERG that this was one of the better papers on the market, even taking into account the fact that it is imported, as all of its recycled paper is local to the manufacturing process.

The ERG has continued to investigate initiatives such as carbon offsets for air travel. A system for the quarterly recording of air travel kilometres and estimates of resulting carbon emissions has been established, enabling reliable baseline data and monitoring of emissions.

During the year, ACER refurbished a newly purchased building adjacent to its existing office in Camberwell. ACER stipulated to the architects and builders that only environmentally approved products were to be used. Sensor lighting was installed. Out of business hours the lights switch off unless the sensors detect movement. In addition, environmental savings were considered before deciding to install two large skylights.

Low energy computer monitors have been introduced, and staff encouraged to lock computers when not in use. More recently, computer monitors are forced to lock if not in use for more than 15 minutes. Redundant computers are recycled through Byteback, a free, environmentally friendly
computer disposal service in Victoria.

With growth in the number of interstate offices, video conferencing has been introduced to enhance communications. An environmental benefit of this initiative is the reduction in the amount of interstate travel required.

ACER has been recycling glass, plastics, paper and cardboard for many years, with the recycling scheme expanding over time.

ACER has achieved significant progress in the management of our impact on the environment. Environment issues are now standard elements of our corporate decision making process. ACER's broad future goals in relation to environmental management are to develop an appropriate environmental management policy and aspire towards carbon neutrality.
Professional learning and equal opportunity for women

ACER staff participated in a broad range of learning and development activities throughout the year. Many individuals attended off-site training programs or continued to study toward the completion of higher degrees.

Professional learning activities have included:
- Despatch Officers participated in a Certificate III course in Warehouse and Storage;
- six staff members participated in an eight week intensive English language training program;
- a significant number of staff participated in an Indigenous Cultural Awareness workshop that aimed to develop a greater understanding and awareness of how best to work with Indigenous Australian colleagues and how to build a culturally sensitive, supportive and rewarding work environment for indigenous employees;
- a 10 week in-house course on the theory and applications of Structural Equation Modelling; and
- a series of sessions on the Legal Basics associated with Assessment Services project work.

Completion of the Annual Professional Development Reviews will continue to be encouraged and monitored, and work on developing a leadership framework has also continued.

ACER obtained a 2008 EOWA Employer of Choice for Women citation. The Equal Opportunity for Women in the Workplace Agency (EOWA) awards this citation on an annual basis and ACER is one of 99 organisations across Australia to receive the award this year. Some of the features of ACER of particular interest to the agency were:
- Employees are eligible for 14 weeks of paid maternity leave after 12 months service.
- Favourable consideration is given to pregnant women in the provision of car parking.
- When returning from parental leave or extended personal leave, staff have the option of initially returning to work part-time.
- No percentage pay gap is evident for ACER as a whole.
- Work is allocated so staff are not routinely required to undertake work beyond a standard working fortnight and, where possible, meetings are scheduled within business hours.
- To encourage staff training and development, ACER has provisions for study assistance.

EOWA offered ACER a two-year waiver from submitting the annual compliance report, in recognition of ACER’s positive track record. This is the third successive year ACER has received the award.

In the future, EOWAC will collect and analyse more data on recruitment, participation in professional development, flexible leave, advancements and attrition. The EOWAC will also develop an Elder Care Information Booklet and consider training on harassment and bullying.
07–08
on record

Commissioned projects.............................................................. 10
Staff publications...................................................................... 14
Directors’ report..................................................................... 18
Auditor’s independence declaration................................. 20
Financial report....................................................................... 21
Directors’ declaration............................................................ 54
Independent audit report.................................................... 55
Members of ACER Council................................................... 57
Members of ACER staff......................................................... 58
Commissioned projects

INTERNATIONAL
AusAid
- Technical advice on the Australian Scholarships Student Survey
- Item writing workshops in English, Social Science, Mathematics and Science

International Association for Educational Assessment
- Member of IAEA Executive Committee

International Association for the Evaluation of Educational Achievement
- International Civic and Citizenship Education Study

International Association for the Evaluation of Educational Achievement/Michigan State University
- Teacher Education Development Study

Organisation for Economic Cooperation and Development (OECD)
- OECD Programme for International Student Assessment (PISA) 2006 and 2009 - international component
- PISA Country Profiles database
- PISA 2009 Optional Electronic Reading Assessment
- OECD PISA Thematic Report 8: PISA and TIMSS (in conjunction with Melbourne University)
- PISA 2003 Thematic Report on Mathematical Literacy and Instruction

Botswana
Botswana Examinations Council
- Presentation of workshops in development of examination questions to test students’ higher order thinking skills

Brunei
Ministry of Education
- Consultancy on assessment of student competencies

Canada
UNESCO Canada
- Literacy Assessment and Monitoring Programme (LAMP)

Chile
Ministry of Education
- Development of a standards based curriculum and assessment system

UNESCO Chile
- SERCE (Rescaling and Reporting)

Columbia
ICFES (Colombian Institute for the Promotion of Higher Education)
- Defining competencies required in item construction, development of instruments to evaluate these competencies, training and accreditation of test developers, item writers and reviewers.

Hong Kong
Hong Kong Exam and Assessment Authority
- Development of a professional development program to support the implementation of school-based assessment

Hong Kong Polytechnic University
- Development of graduating students’ language proficiency assessment materials

India
World Bank
- Consultancy services on the uses of Student Learning Assessments under Sarva Shiksha Abhiyan (Education for All)

Indonesia
AusAid
- Australia-Indonesia Basic Education Program - Analysis of Teacher Profile Data
- Australia-Indonesia Basic Education Program - Policy Verification Case Study
- Editing SEAMEO Research Network Conference Proceedings
- Harnessing Educational Cooperation in the EAS for Regional Competitiveness and Community Building

Mexico
Mexican Ministry for Public Education
- Development of test items and progress monitoring tool

New Zealand
Department of Labour New Zealand
- Evaluation of media campaigns in relation to adult literacy, language and numeracy issues
Ministry of Education New Zealand
- Survey of special education resourcing (with Cognition Consulting)
- Research Services for NZ Ministry of Education (with Cognition Consulting)
- Teaching and Learning in Middle Schooling Literature Review

New Zealand Council for Educational Research
- Consultancy to assist in redevelopment of the Progressive Achievement Test in Mathematics

Philippines
- Strengthening Implementation of Basic Education in Selected Provinces in Visayas (STRIVE)

Qatar
- Evaluation Institute - Supreme Education Council of Qatar
  - Review/Evaluation of the Qatar Secondary School Certificate

United Arab Emirates
- Abu Dhabi Educational School Network (represented by four educational providers)
  - Private and public partnership testing program
- The Knowledge and Human Development Authority
  - Training for data analysis for the PISA project
  - Training for data analysis for the TIMSS project

United States
- America’s Choice Inc
  - Development of literacy and numeracy testing for students in Grade 6 and Grade 9
- National Institute of Child Health and Human Development
  - Hispanic Families

NATIONAL

ACT Department of Education
- ACT Scaling Test
- Validation Study into ACT curriculum

Australian Institute of Family Studies
- Longitudinal Survey of Australian Children

Commonwealth Department of Education, Employment and Workplace Relations
- Analyses in Science, Maths and Technology Teaching and Learning
- AQTF 2007 Employer and Learner Quality Indicators
- Australian School Innovation in Science, Technology and Maths
- Australian School Teacher and Leaders Survey
- Effective Dissemination of Learnings from Career Lighthouse Schools
- Employability Skills of Senior Secondary Students
- Even Start Development of Pre and Post Tuition Assessment Tools: National Tuition Programme
- IEA SITES 2006
- Improvement of Student Educational Outcomes
- Investigation into the Current Provisions of Indigenous Language Programmes
- Mid-term evaluation of Boosting Innovation in Science, Technology and Mathematics Teaching Programme
- National Numeracy Review Report
- OECD Programme for International Student Assessment (PISA) 2006 and 2009 National component (also funded by state and territory education departments)
- OECD Teaching and Learning International Survey (Australian Component)
- Provision of summary of key design principles and processes that could be used as guidelines for developing curriculum and achievement standards
- Refinement of the Learning and Teaching Performance Fund Adjustment Process
- Review of Teacher Education for Languages Teachers
- Science and Maths Postgraduates in Australia: Supply, Demand and Employment Outcomes
- Study of Employment Outcomes Five Years after Graduation from University
- IEA TIMSS 2006
Department of Families, Housing, Community Services
and Indigenous Affairs
- Longitudinal Study of Australian Children
- Longitudinal Study of Indigenous Children

Gambling Research Australia
- Gambling and Young People

Graduate Careers Council of Australia
- Analysis and Reporting of Course Experience Questionnaire (CEQ) and the Postgraduate Research Experience Questionnaire (PREQ)

Ministerial Council on Education, Employment and Youth Affairs (MCEETYA)
- Civics and Citizenship 2007
- Indigenous LLANS
- Longitudinal Literacy and Numeracy Study
- Survey of ICT Literacy

Murdoch Children's Research Institute
- Hosting of Australian Early Development Index
- Raising Children Network

National Australia Bank
- Schools First

Office for Aboriginal and Torres Strait Islander Health
- Indigenous Mental Health Textbook

Teaching Australia
- 2008 Assessment of the NAQS

The Smith Family
- Post-program outcomes study of Learning for Life Exit Students

Northern Territory
Central Australian Remote Health
- Service Delivery Review of Central Australian Remote Health Development Services 2008

Charles Darwin University
- Pilot Study: 'Abracadabra' Literacy Intervention

Northern Territory Department of Education and Training
- Evaluation of Literacy Approaches in the Northern Territory
- Evaluation of the Teacher of Exemplary Practice (TEP) Program

New South Wales
Business Council of Australia
- Quality of Teaching report

Department of Corrective Services
- Development of Test items and Test Administration: Applicants for Correctional Officer Positions

Department of Education and Training
- Basic Skills Testing Program 2007
- Best Start Literacy Assessment
- Microsoft Partners in Learning
- NSW Selective High Schools Test (SHSET)
- NSW Test for Year 5 Opportunity Classes (OPC)

Gavin Jones Communications (main client: NSW Department of Ageing Disability and Home Care)
- Information for Aboriginal Families with a Child with a Disability

International Baccalaureate Association
- Comparative Analysis of International Baccalaureate Diploma and Australian Certificate of Education
- Tertiary Perceptions Study

Lachlan Shire Council
- Widening the Circle Evaluation

NSW Fire Brigade
- NSW Fire Brigades recruitment testing 2006

NSW Institute of Teachers
- Research Digest for Teachers

Security Mail (main client NSW DET)
- Essential Secondary Science Assessment
- National Assessment Program - Literacy and Numeracy test marking NSW

Smart Population Foundation
- RCN DVD Evaluation

University of New England
- Changing Academic Profession

University of Western Sydney (Principal client: Carrick Institute for Learning and Teaching in Higher Education)
- Academic Leadership Capabilities for Higher Education

Queensland
Australian College of Veterinary Scientists
- Review of the Examination Process for the Membership and Fellowship of the Australian College of Veterinary Scientists

Brisbane Catholic Education Office
- Who's coming to School?
Central Queensland University
   - Evaluation of Formal Change Processes

Disability Services Queensland
   - Evaluation of the Post-school Services Program
     (DSQ)

Education Queensland
   - Qld 3, 5, 7 Literacy and Numeracy Testing 2007

Queensland Studies Authority
   - Assessment Paper

South Australia
Australian Principals Association
   - Assistance with Teaching and Learning Booklet
   - Whole School Matters

Department of Education and Children's Services
   - Provision of Second Standards Discussion Paper
   - Provision of Systemic Year 3, 5 and 7 Literacy and Numeracy Testing

Victoria
Alliance of Girls Schools in Australasia
   - Achievement in Member Schools of the Alliance of Girls’ Schools

Association of Independent Schools in Victoria
   - AGQTP: Professional Evaluation and Reflection on Learning (PEARL)
   - AISV-ACER Working Out What Works (WOWW)
   - Assessment Informing Teaching and Learning (AITL)
   - Building Educational Effectiveness in Independent Schools

Australian Bankers Association
   - Research Report on Financial Stress in Australia: Incidence and Dynamics

Australian Principals Association Professional Development Council
   - Dare to Lead

Catholic Education Office
   - AGQTP Administration - Professional Learning
   - Student Exit Survey

Curriculum Corporation
   - National Assessment Program in Literacy and Numeracy (NAPLAN)
   - Analyses of Literacy and Numeracy
   - Assistance with preparation of parent reports
   - Item Review and Trial Test Form Development

   - Provision of materials
   - Trial Administration and Test Form Development
   - Trial of 2008 Literacy and Numeracy test items
   - Trial of 2008 Writing test items

E-Works
   - Flexible Learning Toolboxes Project

RMIT University
   - RMIT Academic Promotions Review

Skills Victoria
   - Analysis of University Student Entry

Somers School Camp
   - Study into the effectiveness of the Somers School Camp Outdoor Education Program

University of Melbourne
   - Teaching Quality Indicators in Higher Education

Victoria University
   - VU Dividend

Victorian Curriculum and Assessment Authority (VCAA)
   - Sample Assessment Survey
   - Victorian General Achievement Test

Victorian Department of Education and Early Childhood Development
   - An Integrated Approach to Improving Student Outcomes in a Community
   - Assessment of English in the Early Years of Schooling
   - Current best practice approaches to improving consistency in teacher judgments
   - Evaluation of the Literacy Improvement Teams Initiative, 2007-2008
   - On Track
   - Value Add Model using existing AIM data project

Western Australia
Curriculum Council of Western Australia
   - Independent review of online marking of Media Production and analysis of WACE examination

Department of Education and Training
   - Evaluation of Aboriginal Literacy Strategy
   - Western Australian Monitoring Standards in Education (WAMSE) Science
   - Western Australian Monitoring Standards in Education (WAMSE) Society and Environment

University of Western Australia
   - UWA Course Structures Review
BOOKS AND REPORTS


CHAPTERS IN BOOKS

REFEREED JOURNAL ARTICLES


Marks, Gary N. (2008). Are Father’s or Mother’s Socioeconomic Characteristics more important influences on Student Performance? Recent International Evident. Social Indicators Research 85(2), 293–309.


**OTHER PERIODICALS**


Directors’ report

The Directors of the Australian Council for Educational Research Limited and controlled entities present the following report together with the financial statements for the financial year ended 30 June 2008.

Directors

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

<table>
<thead>
<tr>
<th>Directors</th>
<th>Start date</th>
<th>Finish date</th>
<th>Board Meetings during the year</th>
<th>Audit Committee Meetings during the year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Eligible to attend</td>
<td>Number attended</td>
</tr>
<tr>
<td>Robyn Baker, BSc Med</td>
<td></td>
<td>31 Dec 07</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Brian Caldwell, BSc Bed MEd PhD</td>
<td></td>
<td></td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Brian Croke, BA DipED DPhil Fellow, Australian Humanities Academy</td>
<td></td>
<td></td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Peter Hill, Cert Ed BA DipEd PhD</td>
<td></td>
<td></td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Anthony Mackay, BEc BEd MA</td>
<td></td>
<td></td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Geoffrey Masters, BSc MEd PhD FACE</td>
<td></td>
<td></td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Trish Mercer, PhD (History)</td>
<td></td>
<td></td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Paige Porter, BA MA PhD</td>
<td></td>
<td></td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Chris Robinson, Bachelor of Agricultural Economics, Post Grad Diploma of Social Security</td>
<td></td>
<td></td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Sheldon Rothman, BA MAT MEd EdD</td>
<td></td>
<td>1 Mar 08</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Geoff Scott, BA DipEd MEd EdD FACE</td>
<td></td>
<td></td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

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

Company Secretary

Mr Wayne J Dawes — Bachelor of Business, FCPA, ACIS, held the position of company secretary at the end of the financial year. Mr Dawes has been employed by the Australian Council for Educational Research Ltd for the past 16 years, performing a range of senior management roles. Mr Dawes was appointed company secretary on 26 October 1993.

Principal activities of the company

The principal activities of the company during the financial year were educational research and development, publication and sale of educational and psychological books, tests and materials, and the provision of assessment services. During the financial year there was no significant change in the nature of those activities.

Result for the year

The surplus for the group amounted to $5,005,812 (2007 Surplus $1,803,133). The surplus of the parent company was $5,225,914 (2007 Surplus $1,759,437).
Dividends
ACER is a not for profit company and neither declares nor pays dividends. The company is prohibited from issuing dividends or options as per its constitution.

Environmental issues
The group’s operations are not regulated by any significant environmental regulation under Commonwealth, State or Territory law.

Review of operations
During the year, the group continued to engage in its principal activities, the results of which are disclosed in the attached financial statements.

Significant changes in state of affairs
During the financial year there were no significant changes in the state of affairs of the company other than those referred to in the accounts or notes thereto.

During the financial year, the company established a subsidiary named ACER (India) Private Limited in India. ACER (India) Private Limited conducts a range of assessment services in India.

After balance date events
There have been no matters or circumstances since the end of the financial year which significantly affect the operations of the company in future years.

Directors’ indemnification
During the financial year the company paid a premium to insure each of the directors 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 of the company, other than conduct involving a wilful breach of duty in relation to the company.

Proceedings on behalf of company
No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of these proceedings. The company was not a party to any such proceedings during the year.

Auditors independence
A copy of the auditors independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 4.

Signed in accordance with a resolution of the Directors.
For and on behalf of the Directors

Director: Brian Caldwell
Date: 12 September 2008
Director: Geoffrey Masters
Australian Council for Educational Research Ltd

ABN: 19 004 398 145

Auditor’s Independence Declaration

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2008 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Saward Dawson Chartered Accountants

[Signature]

Peter Shields

12 September 2008
# Income statement (for the year ended 30 June 2008)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Revenue</td>
<td>55,618,740</td>
<td>49,901,665</td>
<td>54,614,809</td>
<td>48,238,724</td>
</tr>
<tr>
<td>Other income</td>
<td>3,651,997</td>
<td>259,470</td>
<td>3,651,997</td>
<td>259,470</td>
</tr>
<tr>
<td>Changes in inventories of finished goods and work in progress</td>
<td>(595,427)</td>
<td>(81,486)</td>
<td>(595,427)</td>
<td>(81,486)</td>
</tr>
<tr>
<td>Purchases and consumables used</td>
<td>(1,753,931)</td>
<td>(2,469,880)</td>
<td>(1,753,896)</td>
<td>(2,468,042)</td>
</tr>
<tr>
<td>Employee and contractor benefits expense</td>
<td>(31,249,600)</td>
<td>(28,376,200)</td>
<td>(31,234,663)</td>
<td>(28,374,519)</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>(1,476,806)</td>
<td>(1,179,123)</td>
<td>(1,476,765)</td>
<td>(1,179,123)</td>
</tr>
<tr>
<td>Freight and cartage expense</td>
<td>(627,883)</td>
<td>(671,538)</td>
<td>(627,632)</td>
<td>(671,538)</td>
</tr>
<tr>
<td>Advertising</td>
<td>(244,625)</td>
<td>(204,804)</td>
<td>(244,625)</td>
<td>(204,804)</td>
</tr>
<tr>
<td>Computer expenses</td>
<td>(671,483)</td>
<td>(717,288)</td>
<td>(655,852)</td>
<td>(690,083)</td>
</tr>
<tr>
<td>Rent and occupancy expenses</td>
<td>(632,929)</td>
<td>(529,013)</td>
<td>(610,415)</td>
<td>(529,013)</td>
</tr>
<tr>
<td>Consultancy expenses</td>
<td>(7,096,787)</td>
<td>(5,546,690)</td>
<td>(6,768,768)</td>
<td>(5,009,254)</td>
</tr>
<tr>
<td>Printing and stationery expenses</td>
<td>(1,676,337)</td>
<td>(1,662,120)</td>
<td>(1,675,917)</td>
<td>(1,662,115)</td>
</tr>
<tr>
<td>Royalty expenses</td>
<td>(364,500)</td>
<td>(449,371)</td>
<td>(364,500)</td>
<td>(449,371)</td>
</tr>
<tr>
<td>Repairs and maintenance</td>
<td>(368,970)</td>
<td>(355,088)</td>
<td>(362,932)</td>
<td>(352,753)</td>
</tr>
<tr>
<td>Travel expenses</td>
<td>(2,028,532)</td>
<td>(1,742,731)</td>
<td>(2,017,054)</td>
<td>(1,732,088)</td>
</tr>
<tr>
<td>Finance costs</td>
<td>(1,317,329)</td>
<td>(441,932)</td>
<td>(1,317,329)</td>
<td>(441,932)</td>
</tr>
<tr>
<td>Other expenses</td>
<td>(4,182,236)</td>
<td>(3,920,322)</td>
<td>(3,335,117)</td>
<td>(2,892,636)</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>(54,287,375)</td>
<td>(48,347,586)</td>
<td>(53,040,892)</td>
<td>(46,738,757)</td>
</tr>
<tr>
<td>Surplus before income tax</td>
<td>4,983,362</td>
<td>1,813,549</td>
<td>5,225,914</td>
<td>1,759,437</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>22,450</td>
<td>(10,416)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Surplus for the year</strong></td>
<td>5,005,812</td>
<td>1,803,133</td>
<td>5,225,914</td>
<td>1,759,437</td>
</tr>
</tbody>
</table>

The accompanying notes form part of the financial statements.
Balance sheet (as at 30 June 2008)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Current assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Cash and cash equivalents</td>
<td>5,911,681</td>
<td>6,528,277</td>
<td>5,408,082</td>
<td>6,223,091</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Trade and other receivables</td>
<td>7,092,394</td>
<td>6,056,458</td>
<td>7,703,346</td>
<td>6,155,216</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Inventories</td>
<td>2,281,367</td>
<td>1,685,940</td>
<td>2,281,367</td>
<td>1,685,940</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Financial assets</td>
<td>342,830</td>
<td>586,475</td>
<td>386,761</td>
<td>586,478</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Other current assets</td>
<td>4,249,522</td>
<td>2,130,268</td>
<td>4,209,795</td>
<td>2,130,268</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total current assets</td>
<td>19,877,794</td>
<td>16,987,418</td>
<td>19,989,351</td>
<td>16,780,993</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Non-current assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Financial assets</td>
<td>85,707</td>
<td>651,682</td>
<td>85,707</td>
<td>651,682</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Property, plant and equipment</td>
<td>30,989,211</td>
<td>33,491,791</td>
<td>30,987,865</td>
<td>33,491,791</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total non-current assets</td>
<td>31,074,918</td>
<td>34,143,473</td>
<td>31,073,572</td>
<td>34,143,473</td>
<td></td>
</tr>
<tr>
<td></td>
<td>TOTAL ASSETS</td>
<td>50,952,712</td>
<td>51,130,891</td>
<td>51,062,923</td>
<td>50,924,466</td>
<td></td>
</tr>
<tr>
<td></td>
<td>LIABILITIES</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Current liabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Trade and other payables</td>
<td>7,045,008</td>
<td>7,073,084</td>
<td>7,008,277</td>
<td>6,910,355</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Short-term provisions</td>
<td>4,222,269</td>
<td>3,770,144</td>
<td>4,220,974</td>
<td>3,770,144</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total current liabilities</td>
<td>11,267,277</td>
<td>10,843,228</td>
<td>11,229,251</td>
<td>10,680,499</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Non-current liabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Financial liabilities</td>
<td>13,000,000</td>
<td>17,835,187</td>
<td>13,000,000</td>
<td>17,835,187</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Long-term provisions</td>
<td>513,177</td>
<td>504,579</td>
<td>513,177</td>
<td>504,579</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total non-current liabilities</td>
<td>13,513,177</td>
<td>18,339,766</td>
<td>13,513,177</td>
<td>18,339,766</td>
<td></td>
</tr>
<tr>
<td></td>
<td>TOTAL LIABILITIES</td>
<td>24,780,454</td>
<td>29,182,994</td>
<td>24,742,428</td>
<td>29,020,265</td>
<td></td>
</tr>
<tr>
<td></td>
<td>NET ASSETS</td>
<td>26,172,258</td>
<td>21,947,897</td>
<td>26,320,495</td>
<td>21,904,201</td>
<td></td>
</tr>
<tr>
<td></td>
<td>EQUITY</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reserves</td>
<td>6,329,825</td>
<td>6,861,277</td>
<td>6,301,658</td>
<td>6,861,277</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Accumulated surpluses</td>
<td>19,842,433</td>
<td>15,086,620</td>
<td>20,018,837</td>
<td>15,042,924</td>
<td></td>
</tr>
<tr>
<td></td>
<td>TOTAL EQUITY</td>
<td>26,172,258</td>
<td>21,947,897</td>
<td>26,320,495</td>
<td>21,904,201</td>
<td></td>
</tr>
</tbody>
</table>

The accompanying notes form part of the financial statements.
Statement of changes in equity (for the year ended 30 June 2008)

### 2008

<table>
<thead>
<tr>
<th></th>
<th>Parent</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Retained earnings $</td>
<td>Asset revaluation reserve $</td>
<td>Foundation for Educational Research Fund $</td>
<td>Hedge Reserve $</td>
<td>Total $</td>
</tr>
<tr>
<td>Balance at the beginning of the year</td>
<td>15,042,924</td>
<td>5,324,840</td>
<td>298,280</td>
<td>1,238,157</td>
<td>21,904,201</td>
</tr>
<tr>
<td>Net surplus (deficit) attributable to members of the parent entity</td>
<td>5,225,913</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>5,225,913</td>
</tr>
<tr>
<td>Transfers to and from reserves</td>
<td>(250,000)</td>
<td>-</td>
<td>250,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- Foundation for Educational Research Fund</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Hedge Reserve</td>
<td></td>
<td></td>
<td></td>
<td>(809,619)</td>
<td>(809,619)</td>
</tr>
<tr>
<td>Balance at 30 June 2008</td>
<td>20,018,837</td>
<td>5,324,840</td>
<td>548,280</td>
<td>428,538</td>
<td>26,320,495</td>
</tr>
</tbody>
</table>

### 2007

<table>
<thead>
<tr>
<th></th>
<th>Parent</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Retained earnings $</td>
<td>Asset revaluation reserve $</td>
<td>Foundation for Educational Research Fund $</td>
<td>Hedge Reserve $</td>
<td>Total $</td>
</tr>
<tr>
<td>Balance at the beginning of the year</td>
<td>13,283,485</td>
<td>5,324,840</td>
<td>298,280</td>
<td>390,436</td>
<td>19,297,041</td>
</tr>
<tr>
<td>Net surplus (deficit) attributable to members of the parent entity</td>
<td>1,759,439</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,759,439</td>
</tr>
<tr>
<td>Transfer to Hedge Reserve</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>847,721</td>
<td>847,721</td>
</tr>
<tr>
<td>Balance at 30 June 2007</td>
<td>15,042,924</td>
<td>5,324,840</td>
<td>298,280</td>
<td>1,238,157</td>
<td>21,904,201</td>
</tr>
</tbody>
</table>

The accompanying notes form part of the financial statements.
Statement of changes in equity  (for the year ended 30 June 2008)

<table>
<thead>
<tr>
<th></th>
<th>Retained earnings</th>
<th>Asset revaluation reserve</th>
<th>Foreign currency translation reserve</th>
<th>Foundation for Educational Research Fund</th>
<th>Hedge Reserve</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at the beginning of the year</td>
<td>15,086,620</td>
<td>5,324,840</td>
<td>-</td>
<td>298,280</td>
<td>1,238,157</td>
<td>21,947,897</td>
</tr>
<tr>
<td>Net surplus (deficit)</td>
<td>5,005,813</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>5,005,813</td>
</tr>
<tr>
<td>Transfers to and from reserves</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Foreign currency translation reserve</td>
<td>-</td>
<td>-</td>
<td>28,167</td>
<td>-</td>
<td>-</td>
<td>28,167</td>
</tr>
<tr>
<td>- Foundation for Educational Research Fund</td>
<td>(250,000)</td>
<td>-</td>
<td>250,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- Hedge Reserve</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(809,619)</td>
<td>(809,619)</td>
</tr>
<tr>
<td>Balance at 30 June 2008</td>
<td>19,842,433</td>
<td>5,324,840</td>
<td>28,167</td>
<td>548,280</td>
<td>428,538</td>
<td>26,172,258</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Retained earnings</th>
<th>Asset revaluation reserve</th>
<th>Foundation for Educational Research Fund</th>
<th>Hedge Reserve</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at the beginning of the year</td>
<td>13,283,485</td>
<td>5,324,840</td>
<td>298,280</td>
<td>390,436</td>
<td>19,297,041</td>
</tr>
<tr>
<td>Net surplus (deficit)</td>
<td>1,803,135</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,803,135,</td>
</tr>
<tr>
<td>Transfers to and from reserves</td>
<td></td>
<td></td>
<td></td>
<td>847,721</td>
<td>847,721</td>
</tr>
<tr>
<td>- Hedge Reserve</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Balance at 30 June 2007</td>
<td>15,086,620</td>
<td>5,324,840</td>
<td>298,280</td>
<td>1,238,157</td>
<td>21,947,897</td>
</tr>
</tbody>
</table>

The accompanying notes form part of the financial statements.
# Statement of cash flows
(for the year ended 30 June 2008)

<table>
<thead>
<tr>
<th>Note</th>
<th>Consolidated</th>
<th>Parent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash from operating activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receipts from customers</td>
<td>$57,194,394</td>
<td>$52,111,590</td>
</tr>
<tr>
<td>Payments to suppliers and employees</td>
<td>(56,254,315)</td>
<td>(46,987,576)</td>
</tr>
<tr>
<td>Interest received</td>
<td>177,196</td>
<td>131,395</td>
</tr>
<tr>
<td>Interest paid</td>
<td>(1,317,329)</td>
<td>(491,556)</td>
</tr>
<tr>
<td><strong>Net cash provided by (used in) operating activities</strong></td>
<td>(200,054)</td>
<td>4,763,853</td>
</tr>
<tr>
<td><strong>Cash flows from investing activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from sale of plant and equipment</td>
<td>9,217,145</td>
<td>-</td>
</tr>
<tr>
<td>Acquisition of property, plant and equipment</td>
<td>(4,798,500)</td>
<td>(16,792,721)</td>
</tr>
<tr>
<td>Acquisition of other investments</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Loans to related parties – payments made</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net cash provided by (used in) investing activities</strong></td>
<td>4,418,645</td>
<td>(16,792,721)</td>
</tr>
<tr>
<td><strong>Cash flows from financing activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from (repayment of) other borrowings</td>
<td>(4,835,187)</td>
<td>14,389,265</td>
</tr>
<tr>
<td><strong>Net cash provided by (used in) financing activities</strong></td>
<td>(4,835,187)</td>
<td>14,389,265</td>
</tr>
<tr>
<td><strong>Net increase (decreases) in cash held</strong></td>
<td>(616,596)</td>
<td>2,360,397</td>
</tr>
<tr>
<td>Cash and cash equivalents at beginning of year</td>
<td>6,528,277</td>
<td>4,167,880</td>
</tr>
<tr>
<td><strong>Cash at end of financial year</strong></td>
<td>5,911,681</td>
<td>6,528,277</td>
</tr>
</tbody>
</table>

The accompanying notes form part of the financial statements.
Notes to the financial statements (for the year ended 30 June 2008)

Note 1 Accounting policies

la General information

This financial report includes the consolidated financial statements and notes of Australian Council for Educational Research Ltd and controlled entities (‘Consolidated Group’ or ‘Group’), and the separate financial statements and notes of Australian Council for Educational Research Ltd as an individual parent entity (‘Parent Entity’), incorporated and domiciled in Australia. Australian Council for Educational Research Ltd is a company limited by guarantee.

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

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

The financial report of Australian Council for Educational Research Ltd and controlled entities, and Australian Council for Educational Research Ltd as an individual entity comply with all Australian equivalents to International Financial Reporting Standards (IFRS) to the extent applicable to Australian not for profit entities.

lb Basis of preparation

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

lc Comparative figures

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

ld Principals of consolidation

A controlled entity is an entity Australian Council for Educational Research Ltd has the power to control the financial and operating policies of so as to obtain benefits from its activities.

A list of controlled entities is contained in Note 20 to the financial statements. All controlled entities have a 30 June financial year-end.

All inter-company balances and transactions between entities in the Group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the parent entity.
Where controlled entities have entered or left the Group during the year, their operating results have been included/excluded from the date control was obtained or until the date control ceased.

1e Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate portion of variable and fixed overheads. Overheads are applied on the basis of normal recovery rates.

1f Property, plant and equipment

General information

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Land and buildings

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm’s length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same classes of assets are charged against fair value reserves directly in equity; all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement and depreciation based on the asset’s original cost is transferred from the revaluation reserve to retained earnings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and equipment

Plant and equipment are measured on the cost basis, less depreciation and impairment losses.

The carrying amount of plant and equipment 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.

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

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over their useful lives to the
company commencing from the time the asset is held ready for use. 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:

<table>
<thead>
<tr>
<th>Category</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings at cost</td>
<td>2.5% - 10%</td>
</tr>
<tr>
<td>Furniture, fixtures and fittings</td>
<td>25%</td>
</tr>
<tr>
<td>Motor vehicles</td>
<td>25%</td>
</tr>
<tr>
<td>Computer equipment</td>
<td>33%</td>
</tr>
<tr>
<td>Computer software</td>
<td>40%</td>
</tr>
</tbody>
</table>

The assets’ residual values and useful lives are reviewed, and adjusted if appropriate, at each
balance sheet date.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount.
These gains or losses are included in the income statement. When revalued assets are sold,
amounts included in the revaluation reserve relating to that asset are transferred to retained
earnings.

1g Financial instruments

Recognition and initial measurement

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

Financial instruments are initially measured at cost on trade date, which includes transaction costs,
when the related contractual rights or obligations exist. Subsequent to initial recognition these
instruments are measured as set out below.

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 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

– Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in
the short term or if so designated by management and within the requirements of AASB 139:
Recognition and Measurement of Financial Instruments. Derivatives are also categorised as
held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

– **Available-for-sale financial assets**

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

– **Financial liabilities**

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

– **Derivative instruments**

Derivative instruments are measured at fair value. Gains and losses arising from changes in fair value are taken to the income statement unless they are designated as hedges. The company’s hedge portfolio has been marked to spot rate and the movement in value has been recognised direct to a reserve as required by AASB 139: Recognition and Measurement of Financial Instruments where hedges are effective.

– **Loans and receivables**

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

**Fair value**

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine fair value for all unlisted securities, including recent arm’s length transactions, reference to similar instruments and option pricing models.

**Impairment**

At each reporting date, the company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

1h **Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

1i **Impairment**

At each reporting date, the group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset’s fair value less
costs to sell and value in use or where appropriate depreciated replacement cost, 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.

Ij Employee benefits

Provision is made for the group’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 present value of the estimated future cash outflows to be made for those benefits. Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

Ik Provisions

Provisions are recognised when the group 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.

Il Income taxes

No current or deferred income tax assets or liabilities have been raised by the group as it is exempt from income tax under Division 50 of the Income Tax Assessment Act.

Im Revenue

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

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

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

Project work in progress is valued at cost, plus profit recognised to date less any provision for anticipated future losses. Costs include both variable and fixed costs relating to specific contracts, when those costs that are attributable to the contract activity in general and that can be allocated on a reasonable basis.

Project profits are recognised over the life of the project measured using the proportion of costs incurred to date as compared to expected total costs. Where losses are anticipated they are provided for in full. Project revenue has been recognised on the basis of the terms of the contract adjusted for any variances or claims allowable under the contract.

In Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an 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.
Io Library additions

The Group adopts the policy of charging all additions to the library directly to the profit and loss account in the year in which the expenditure is incurred.

Ip Critical accounting estimates

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. Where 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.

No impairments have been recognised in respect of intellectual property for the year ended 30 June 2008.

Key judgments — Project surpluses

Included in the total surplus for the year ended 30 June 2008 was amounts relating to project surpluses recognised. The directors have judged that these project surpluses should be recognised over the life of the project measured using the proportion of cost incurred to date as compared to expected total costs. The directors also use estimated costs to complete the project to estimate the surplus or deficit recognised each financial year. See also Note 1m.

Iq Foreign currency transactions and balances

Functional and presentation currency

The functional currency of each of the Group entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity’s functional and presentation currency, being Australian dollars.

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the income statement, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the income statement.
Group companies

The financial results and position of foreign operations whose functional currency is different from the group’s presentation currency are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for the period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the group’s foreign currency translation reserve in the balance sheet. These differences are recognised in the income statement in the period in which the operation is disposed.
### Note 2 Revenue

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Operating activities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- sale of goods</td>
<td>8,128,238</td>
<td>7,659,569</td>
<td>8,128,238</td>
<td>7,659,569</td>
</tr>
<tr>
<td>- services revenue</td>
<td>46,462,531</td>
<td>41,491,566</td>
<td>45,472,065</td>
<td>39,832,836</td>
</tr>
<tr>
<td>- royalties</td>
<td>419,587</td>
<td>499,343</td>
<td>419,587</td>
<td>499,343</td>
</tr>
<tr>
<td>- rental income</td>
<td>431,189</td>
<td>119,793</td>
<td>431,189</td>
<td>119,793</td>
</tr>
<tr>
<td>- interest received</td>
<td>177,196</td>
<td>131,395</td>
<td>163,730</td>
<td>127,184</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>55,618,741</td>
<td>49,901,666</td>
<td>54,614,809</td>
<td>48,238,725</td>
</tr>
<tr>
<td>(a) Interest revenue from:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- other persons</td>
<td>177,196</td>
<td>131,395</td>
<td>163,730</td>
<td>127,184</td>
</tr>
<tr>
<td><strong>Total interest revenue</strong></td>
<td>177,196</td>
<td>131,395</td>
<td>163,730</td>
<td>127,184</td>
</tr>
<tr>
<td><strong>Other Income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- foreign exchange gain</td>
<td>259,124</td>
<td>259,470</td>
<td>259,124</td>
<td>259,470</td>
</tr>
<tr>
<td>- gain on sale of property, plant and equipment</td>
<td>3,392,872</td>
<td>-</td>
<td>3,392,872</td>
<td>-</td>
</tr>
<tr>
<td><strong>Other Income</strong></td>
<td>3,651,997</td>
<td>259,470</td>
<td>3,651,997</td>
<td>259,470</td>
</tr>
</tbody>
</table>

### Note 3 Surplus from ordinary activities

#### 3a Expenses from ordinary activities

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation and amortisation</td>
<td>1,476,806</td>
<td>1,179,123</td>
<td>1,476,765</td>
<td>1,179,123</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>2,349,358</td>
<td>2,551,366</td>
<td>2,349,323</td>
<td>2,549,528</td>
</tr>
<tr>
<td>Finance costs - external parties</td>
<td>1,317,329</td>
<td>441,932</td>
<td>1,317,329</td>
<td>441,932</td>
</tr>
<tr>
<td>Bad and doubtful debts expense / (Bad debts recovered)</td>
<td>(1,302)</td>
<td>(11,613)</td>
<td>(1,302)</td>
<td>(11,613)</td>
</tr>
<tr>
<td>Remuneration of the auditor of the parent entity</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Auditing or reviewing the financial report</td>
<td>34,500</td>
<td>30,000</td>
<td>34,500</td>
<td>30,000</td>
</tr>
<tr>
<td>- Other services</td>
<td>19,580</td>
<td>5,525</td>
<td>19,580</td>
<td>5,525</td>
</tr>
<tr>
<td>Remuneration of the auditor of the subsidiaries</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Auditing or reviewing the financial reports</td>
<td>23,528</td>
<td>14,011</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- Other services</td>
<td>-</td>
<td>3,503</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Rental expense on operating leases</td>
<td>632,929</td>
<td>529,013</td>
<td>610,415</td>
<td>529,013</td>
</tr>
</tbody>
</table>
3b Significant revenue and expenses

The following significant revenue and expense item is relevant to explaining the financial performance:

Gain on sale of property, plant and equipment – 347 Camberwell Rd

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Gain on sale</td>
<td>3,392,872</td>
<td>-</td>
<td>3,392,872</td>
<td>-</td>
</tr>
</tbody>
</table>

Note 4 Cash and cash equivalents

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash on hand</td>
<td>2,395</td>
<td>1,250</td>
</tr>
<tr>
<td>Cash at bank</td>
<td>5,909,286</td>
<td>6,527,027</td>
</tr>
<tr>
<td></td>
<td>5,911,681</td>
<td>6,528,277</td>
</tr>
</tbody>
</table>

Note 5 Trade and other receivables

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade receivables</td>
<td>7,242,394</td>
<td>6,181,458</td>
</tr>
<tr>
<td>Provision for impairment of receivables</td>
<td>(150,000)</td>
<td>(125,000)</td>
</tr>
<tr>
<td>Amounts receivable from wholly-owned subsidiaries</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Test Grid (Aust) Pty Ltd - Loan account</td>
<td>927,458</td>
<td>927,458</td>
</tr>
<tr>
<td>Provision for impairment</td>
<td>(927,458)</td>
<td>(927,458)</td>
</tr>
</tbody>
</table>

a Provision for impairment of receivables

Current trade and term receivables are generally on 30–60 day terms, depending on the underlying terms of the contract. Non-current trade and term receivables are assessed for recoverability based on the underlying terms of the contract. A provision for impairment is recognised when there is an objective evidence that an individual trade or term receivable is impaired. These amounts have been included in the other expenses item.
Movement in provision for impairment of receivables is as follows:

<table>
<thead>
<tr>
<th></th>
<th>Opening balance 2008</th>
<th>Charge for the year</th>
<th>Amounts written off</th>
<th>Closing balance 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Consolidated</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current trade receivables</td>
<td>125,000</td>
<td>25,000</td>
<td>-</td>
<td>150,000</td>
</tr>
<tr>
<td>Non-current associated companies</td>
<td>927,458</td>
<td>-</td>
<td>-</td>
<td>927,458</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,052,458</td>
<td>25,000</td>
<td>-</td>
<td>1,077,458</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Opening balance 2008</th>
<th>Charge for the year</th>
<th>Amounts written off</th>
<th>Closing balance 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Parent</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current trade receivables</td>
<td>125,000</td>
<td>25,000</td>
<td>-</td>
<td>150,000</td>
</tr>
<tr>
<td>Non-current associated companies</td>
<td>927,458</td>
<td>-</td>
<td>-</td>
<td>927,458</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,052,458</td>
<td>25,000</td>
<td>-</td>
<td>1,077,458</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Opening balance 2007</th>
<th>Charge for the year</th>
<th>Amounts written off</th>
<th>Closing balance 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Consolidated</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current trade receivables</td>
<td>100,000</td>
<td>25,000</td>
<td>-</td>
<td>125,000</td>
</tr>
<tr>
<td>Non-current associated companies</td>
<td>927,458</td>
<td>-</td>
<td>-</td>
<td>927,458</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,027,458</td>
<td>25,000</td>
<td>-</td>
<td>1,052,458</td>
</tr>
</tbody>
</table>
It is expected these balances will be received when due. Impaired assets are provided for in full.

b Aged analysis

The ageing analysis of receivables is as follows:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>0–30 days</td>
<td>$5,417,143</td>
<td>$5,845,831</td>
<td>$5,323,490</td>
<td>$5,740,748</td>
</tr>
<tr>
<td>31–60 days</td>
<td>$1,348,390</td>
<td>$173,039</td>
<td>$1,348,390</td>
<td>$173,039</td>
</tr>
<tr>
<td>61–90 days (past due not impaired)</td>
<td>$133,577</td>
<td>$37,588</td>
<td>$133,577</td>
<td>$37,588</td>
</tr>
<tr>
<td>61–90 days (considered impaired)</td>
<td>-</td>
<td>$27,535</td>
<td>-</td>
<td>$27,535</td>
</tr>
<tr>
<td>91+ days (past due not impaired)</td>
<td>$193,284</td>
<td>-</td>
<td>$193,284</td>
<td>-</td>
</tr>
<tr>
<td>91+ days (considered impaired)</td>
<td>$150,000</td>
<td>97,465</td>
<td>$150,000</td>
<td>97,465</td>
</tr>
<tr>
<td></td>
<td>$7,242,394</td>
<td>$6,181,458</td>
<td>$7,148,741</td>
<td>$6,076,375</td>
</tr>
</tbody>
</table>
### Note 6 Inventories

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>CURRENT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At Cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Work in progress</td>
<td>532,036</td>
<td>314,070</td>
<td>532,036</td>
<td>314,070</td>
</tr>
<tr>
<td>Finished goods</td>
<td>1,629,575</td>
<td>1,248,435</td>
<td>1,629,575</td>
<td>1,248,435</td>
</tr>
<tr>
<td></td>
<td>2,161,611</td>
<td>1,562,505</td>
<td>2,161,611</td>
<td>1,562,505</td>
</tr>
<tr>
<td>At net realisable value</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finished goods</td>
<td>119,756</td>
<td>123,435</td>
<td>119,756</td>
<td>123,435</td>
</tr>
<tr>
<td></td>
<td>2,281,367</td>
<td>1,685,940</td>
<td>2,281,367</td>
<td>1,685,940</td>
</tr>
</tbody>
</table>

### Note 7 Financial assets

#### a Summary table

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Available for sale financial assets</td>
<td>43,931</td>
<td>2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Derivative financial assets</td>
<td>428,537</td>
<td>1,238,157</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>428,537</td>
<td>1,238,157</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less non-current portion</td>
<td>472,468</td>
<td>1,238,159</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current portion</td>
<td>342,830</td>
<td>586,475</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>386,761</td>
<td>586,477</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### b Available-for-sale financial assets comprise:

- Unlisted investments, at cost shares in controlled entities | 43,931 | 2 |
- | 43,931 | 2 |

Available-for-sale financial assets comprise investments in the ordinary issued capital of various entities. There are no fixed returns or fixed maturity date attached to these investments.

#### c Derivative financial assets comprise:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign exchange contract - current</td>
<td>342,830</td>
<td>586,475</td>
<td>342,830</td>
<td>586,475</td>
</tr>
<tr>
<td>Foreign exchange contract - non current</td>
<td>85,707</td>
<td>651,682</td>
<td>85,707</td>
<td>651,682</td>
</tr>
<tr>
<td></td>
<td>428,537</td>
<td>1,238,157</td>
<td>428,537</td>
<td>1,238,157</td>
</tr>
</tbody>
</table>

Gains and losses arising from changes in the fair value of designated forward exchange contracts are initially recognised directly in equity and are separately included as a hedge reserve in the statement of changes in equity. At transaction date, amounts included in the hedge reserve are transferred from equity and included in the acquisition surplus (deficit) of the hedged asset. The statement of changes in equity includes transfers to and from the hedge reserve.
### Note 8 Other assets

<table>
<thead>
<tr>
<th></th>
<th>Consolidated</th>
<th>Parent</th>
</tr>
</thead>
<tbody>
<tr>
<td>CURRENT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prepayments</td>
<td>278,617</td>
<td>230,234</td>
</tr>
<tr>
<td>Work in progress</td>
<td>3,942,642</td>
<td>1,900,034</td>
</tr>
<tr>
<td>Other receivables</td>
<td>28,263</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>4,249,522</td>
<td>2,130,268</td>
</tr>
</tbody>
</table>
### Note 9 Property plant and equipment

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>LAND AND BUILDINGS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Freehold land</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land at fair value</td>
<td>10,650,000</td>
<td>16,150,000</td>
<td>10,650,000</td>
<td>16,150,000</td>
</tr>
<tr>
<td>Total freehold land</td>
<td>10,650,000</td>
<td>16,150,000</td>
<td>10,650,000</td>
<td>16,150,000</td>
</tr>
<tr>
<td>Buildings</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings at fair value</td>
<td>19,404,997</td>
<td>16,503,529</td>
<td>19,404,997</td>
<td>16,503,529</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>(646,566)</td>
<td>(780,955)</td>
<td>(646,566)</td>
<td>(780,955)</td>
</tr>
<tr>
<td>Total buildings</td>
<td>18,758,431</td>
<td>15,722,574</td>
<td>18,758,431</td>
<td>15,722,574</td>
</tr>
<tr>
<td>Total land and buildings</td>
<td>29,408,431</td>
<td>31,872,574</td>
<td>29,408,431</td>
<td>31,872,574</td>
</tr>
<tr>
<td><strong>PLANT AND EQUIPMENT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital works in progress</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At cost</td>
<td></td>
<td>232,779</td>
<td>-</td>
<td>232,779</td>
</tr>
<tr>
<td>Total capital works in progress</td>
<td></td>
<td>232,779</td>
<td>-</td>
<td>232,779</td>
</tr>
<tr>
<td>Plant and equipment</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At cost</td>
<td>1,396,085</td>
<td>1,500,552</td>
<td>1,394,704</td>
<td>1,500,552</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>(955,207)</td>
<td>(1,117,478)</td>
<td>(955,171)</td>
<td>(1,117,478)</td>
</tr>
<tr>
<td>Total plant and equipment</td>
<td>440,878</td>
<td>383,074</td>
<td>439,533</td>
<td>383,074</td>
</tr>
<tr>
<td>Motor vehicles</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At cost</td>
<td>31,010</td>
<td>-</td>
<td>31,010</td>
<td>-</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>(2,583)</td>
<td>(2,583)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total motor vehicles</td>
<td>28,427</td>
<td>-</td>
<td>28,427</td>
<td>-</td>
</tr>
<tr>
<td>Computer equipment</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At cost</td>
<td>2,360,683</td>
<td>2,681,975</td>
<td>2,360,683</td>
<td>2,681,975</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>(1,335,687)</td>
<td>(1,684,391)</td>
<td>(1,335,687)</td>
<td>(1,684,391)</td>
</tr>
<tr>
<td>Total computer equipment</td>
<td>1,024,996</td>
<td>997,584</td>
<td>1,024,996</td>
<td>997,584</td>
</tr>
<tr>
<td>Improvements</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At cost</td>
<td>208,821</td>
<td>101,840</td>
<td>208,821</td>
<td>101,840</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>(122,342)</td>
<td>(96,059)</td>
<td>(122,342)</td>
<td>(96,059)</td>
</tr>
<tr>
<td>Total improvements</td>
<td>86,479</td>
<td>5,781</td>
<td>86,479</td>
<td>5,781</td>
</tr>
<tr>
<td>Total other property plant and equipment</td>
<td>1,139,902</td>
<td>1,003,365</td>
<td>1,139,902</td>
<td>1,003,365</td>
</tr>
<tr>
<td>Total plant and equipment</td>
<td>30,989,211</td>
<td>33,491,792</td>
<td>30,987,866</td>
<td>33,491,792</td>
</tr>
</tbody>
</table>
Note 9 Property plant and equipment continued

a Movements in carrying amounts

Parent

<table>
<thead>
<tr>
<th></th>
<th>Capital works in progress at Cost $</th>
<th>Land at cost $</th>
<th>Buildings at cost $</th>
<th>Plant and equipment $</th>
<th>Motor vehicles $</th>
<th>Computer equipment $</th>
<th>Improvements $</th>
<th>Total $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current year</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at the beginning of year</td>
<td>232,779</td>
<td>16,150,000</td>
<td>15,722,574</td>
<td>383,074</td>
<td>-</td>
<td>997,584</td>
<td>-</td>
<td>5,781</td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
<td>-</td>
<td>3,631,880</td>
<td>301,229</td>
<td>31,010</td>
<td>726,013</td>
<td>-</td>
<td>106,982</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>(5,500,000)</td>
<td>(319,126)</td>
<td>-</td>
<td>-</td>
<td>(5,148)</td>
<td>-</td>
<td>(5,824,274)</td>
</tr>
<tr>
<td>Depreciation expense</td>
<td>-</td>
<td>-</td>
<td>(509,675)</td>
<td>(244,770)</td>
<td>(2,583)</td>
<td>(693,453)</td>
<td>(26,284)</td>
<td>(1,476,765)</td>
</tr>
<tr>
<td>Transfers</td>
<td>(232,779)</td>
<td>-</td>
<td>232,779</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Balance as at 30 June 2008</strong></td>
<td>-</td>
<td>10,650,000</td>
<td>18,758,432</td>
<td>439,533</td>
<td>28,427</td>
<td>1,024,996</td>
<td>86,479</td>
<td>30,987,867</td>
</tr>
</tbody>
</table>

**Prior Year**

<table>
<thead>
<tr>
<th></th>
<th>Capital works in progress at Cost $</th>
<th>Land at cost $</th>
<th>Buildings at cost $</th>
<th>Plant and equipment $</th>
<th>Motor vehicles $</th>
<th>Computer equipment $</th>
<th>Improvements $</th>
<th>Total $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at the beginning of year</td>
<td>-</td>
<td>11,150,000</td>
<td>5,490,878</td>
<td>424,313</td>
<td>-</td>
<td>798,154</td>
<td>-</td>
<td>14,848</td>
</tr>
<tr>
<td>Additions</td>
<td>232,779</td>
<td>5,000,000</td>
<td>10,540,338</td>
<td>230,776</td>
<td>-</td>
<td>788,829</td>
<td>-</td>
<td>16,792,722</td>
</tr>
<tr>
<td>Depreciation expense</td>
<td>-</td>
<td>-</td>
<td>(308,642)</td>
<td>(272,015)</td>
<td>-</td>
<td>(589,399)</td>
<td>(9,067)</td>
<td>(1,179,123)</td>
</tr>
<tr>
<td>Balance as at 30 June 2007</td>
<td>232,779</td>
<td>16,150,000</td>
<td>15,722,574</td>
<td>383,074</td>
<td>-</td>
<td>997,584</td>
<td>5,781</td>
<td>33,491,792</td>
</tr>
</tbody>
</table>
Consolidated

<table>
<thead>
<tr>
<th>Capital works in progress at Cost $</th>
<th>Land at cost $</th>
<th>Buildings at cost $</th>
<th>Plant and equipment $</th>
<th>Motor vehicles $</th>
<th>Computer equipment $</th>
<th>Improvements $</th>
<th>Total $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current year</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at the beginning of year</td>
<td>232,779</td>
<td>16,150,000</td>
<td>15,722,574</td>
<td>383,074</td>
<td>-</td>
<td>997,584</td>
<td>5,781</td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
<td>-</td>
<td>3,631,880</td>
<td>302,615</td>
<td>31,010</td>
<td>726,013</td>
<td>106,982</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>(5,500,000)</td>
<td>(319,126)</td>
<td>-</td>
<td>-</td>
<td>(5,148)</td>
<td>(5,824,274)</td>
</tr>
<tr>
<td>Depreciation expense</td>
<td>-</td>
<td>(509,675)</td>
<td>(244,881)</td>
<td>(2,583)</td>
<td>(693,453)</td>
<td>(26,284)</td>
<td>(1,476,806)</td>
</tr>
<tr>
<td>Transfers</td>
<td>(232,779)</td>
<td>232,779</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Balance as at 30 June 2008</td>
<td>-</td>
<td>10,650,000</td>
<td>18,758,432</td>
<td>440,878</td>
<td>28,427</td>
<td>1,024,996</td>
<td>86,479</td>
</tr>
</tbody>
</table>

| **Prior Year**                   |                |                   |                      |                |                     |                |         |
| Balance at the beginning of year | -              | 111,150,000       | 5,490,878            | 424,313        | -                   | 798,154        | 14,848 |
| Additions                        | 232,779        | 5,000,000         | 10,540,338           | 230,776        | -                   | 788,829        | 16,792,722 |
| Depreciation expense             | -              | (308,642)         | (272,015)            | -              | (589,399)           | (9,067)        | (1,179,123) |
| Balance as at 30 June 2007       | 232,779        | 16,150,000        | 15,722,574           | 383,074        | -                   | 997,584        | 5,781   |

Note 9 Property plant and equipment continued

Movements in carrying amounts continued
b Valuation of land and buildings

The company’s land and buildings were revalued at 30 June 2006 by Charter Keck Cramer on 11 May 2006. The valuations were made on the basis of open market value. The revaluation surplus was credited to an asset revaluation reserve in equity.

Note 10 Trade and other payables

<table>
<thead>
<tr>
<th>CURRENT</th>
<th>Consolidated</th>
<th>Parent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unsecured liabilities</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Trade payables</td>
<td>1,334,091</td>
<td>853,278</td>
</tr>
<tr>
<td>Sundry creditors and accruals</td>
<td>2,233,306</td>
<td>2,122,202</td>
</tr>
<tr>
<td>Project income in advance</td>
<td>3,477,611</td>
<td>4,097,604</td>
</tr>
<tr>
<td></td>
<td>7,045,008</td>
<td>7,073,084</td>
</tr>
</tbody>
</table>

Note 11 Borrowings

The bank bills are secured by a registered first mortgage over the freehold land and buildings situated at Prospect Hill Road, Camberwell and 1–13 Railway Parade, Camberwell.

The bank bill facilities expires on 18 April 2022 and 31 July 2023.

| NON-CURRENT | | |
| Secured liabilities | | |
| Bills facility | 13,000,000 | 17,835,187 | 13,000,000 | 17,835,187 |
| | 13,000,000 | 17,835,187 | 13,000,000 | 17,835,187 |

a The carrying amounts of non-current assets pledged as security are:

| First mortgage over freehold land and buildings | | |
| | 29,408,432 | 31,872,574 | 29,408,432 | 31,872,574 |
| | 29,408,432 | 31,872,574 | 29,408,432 | 31,872,574 |
Note 12 Provisions

a  Analysis of total provisions

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Current</td>
<td>4,222,269</td>
<td>3,770,144</td>
<td>4,220,974</td>
<td>3,770,144</td>
</tr>
<tr>
<td>Non-current</td>
<td>513,177</td>
<td>504,579</td>
<td>513,177</td>
<td>504,579</td>
</tr>
<tr>
<td></td>
<td>4,735,446</td>
<td>4,274,723</td>
<td>4,734,151</td>
<td>4,274,723</td>
</tr>
</tbody>
</table>

b  Movement in carrying amounts

Parent

<table>
<thead>
<tr>
<th></th>
<th>Employee entitlements $</th>
<th>Total $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance at 1 July 2007</td>
<td>4,274,723</td>
<td>4,274,723</td>
</tr>
<tr>
<td>Additional provisions</td>
<td>2,913,629</td>
<td>2,913,629</td>
</tr>
<tr>
<td>Utilised during the period</td>
<td>(2,454,201)</td>
<td>(2,454,201)</td>
</tr>
<tr>
<td>Balance at 30 June 2008</td>
<td>4,734,151</td>
<td>4,734,151</td>
</tr>
</tbody>
</table>

Consolidated

<table>
<thead>
<tr>
<th></th>
<th>Employee entitlements $</th>
<th>Total $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance at 1 July 2007</td>
<td>4,274,723</td>
<td>4,274,723</td>
</tr>
<tr>
<td>Additional provisions</td>
<td>2,914,924</td>
<td>2,914,924</td>
</tr>
<tr>
<td>Amounts used</td>
<td>(2,454,201)</td>
<td>(2,454,201)</td>
</tr>
<tr>
<td>Balance at 30 June 2008</td>
<td>4,735,446</td>
<td>4,735,446</td>
</tr>
</tbody>
</table>
Note 13  Reserves

a  Asset revaluation reserve
   The asset revaluation reserve records revaluations of non-current assets.

b  Foundation for Educational Research
   This reserve contains the funds that have been allocated to the Foundation for Educational Research.

c  Hedge reserve
   The hedge reserve records the movements in the value of the company’s hedge portfolio that are designated as cashflow hedges.

d  Foreign currency translation reserve
   The foreign currency translation reserve records the exchange differences arising on translation of the foreign controlled subsidiaries.

Note 14  Capital and leasing commitments

a  Operating lease commitments
   Non-cancelable operating leases contracted for but not capitalised in the financial statements

<table>
<thead>
<tr>
<th></th>
<th>Consolidated</th>
<th>Parent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payable - minimum lease payments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- not later than 12 months</td>
<td>802,332</td>
<td>440,556</td>
</tr>
<tr>
<td>- between 12 months and 5 years</td>
<td>1,035,438</td>
<td>706,759</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,837,770</td>
<td>1,147,315</td>
</tr>
</tbody>
</table>

The above operating leases attach to the rented premises in Sydney, Perth, Brisbane and India, and the staff novated car leases. All of the property leases are paid in advance. The lease in Sydney will terminate in February 2011 and there is an option to renew the lease for 2 further terms of 1 year each. The Brisbane lease will terminate in April 2011 and it has an option to renew for 2 years. The Mulgrave lease will terminate in October 2010 and it has an option to renew for 2 years. The Perth lease will terminate in November 2008 and it has two options each of two years attaching to the current lease.
b Capital expenditure commitments

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital expenditure commitments contracted for:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed price building contract</td>
<td>- 2,864,793</td>
<td>- 2,864,793</td>
<td>- 2,864,793</td>
<td>- 2,864,793</td>
</tr>
<tr>
<td>Payable:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- not later than 12 months</td>
<td>- 2,864,793</td>
<td>- 2,864,793</td>
<td>- 2,864,793</td>
<td>- 2,864,793</td>
</tr>
</tbody>
</table>

Note 15 Contingent liabilities and contingent assets

Contingent liabilities

Guarantees
The parent company has provided guarantees to third parties in respect to banking facilities, contract performance guarantee and property lease rentals. The guarantees are for the terms of the facilities and leases.

463,853 405,452 463,853 405,452

Note 16 Members’ guarantee
The company is limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of $20 each towards any outstanding obligations of the company. At 30 June 2008 the number of members was 10 (2007: 10).
Note 17  Cash flow information

a  Reconciliation of cashflow from operations with surplus for the year

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Surplus for the year</td>
<td>$5,005,812</td>
<td>$1,803,133</td>
<td>$5,225,914</td>
<td>$1,759,438</td>
</tr>
<tr>
<td>Non cash flows in surplus</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>$1,476,806</td>
<td>$1,179,123</td>
<td>$1,481,907</td>
<td>$1,179,123</td>
</tr>
<tr>
<td>Net gain on disposal of property, plant and equipment</td>
<td>$(3,392,873)</td>
<td>-</td>
<td>$(3,580,873)</td>
<td>-</td>
</tr>
<tr>
<td>Provision for doubtful debts</td>
<td>$25,000</td>
<td>$25,000</td>
<td>$25,000</td>
<td>$25,000</td>
</tr>
<tr>
<td>Changes in assets and liabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Increase)/decrease in trade and term receivables</td>
<td>$(3,180,188)</td>
<td>464,549</td>
<td>$(3,151,893)</td>
<td>569,631</td>
</tr>
<tr>
<td>(Increase)/decrease in inventories</td>
<td>$(595,427)</td>
<td>$(81,486)</td>
<td>$(595,427)</td>
<td>$(81,486)</td>
</tr>
<tr>
<td>Increase/(decrease) in trade payables and accruals</td>
<td>$591,917</td>
<td>$633,102</td>
<td>$427,915</td>
<td>470,358</td>
</tr>
<tr>
<td>Increase/(decrease) in other liabilities</td>
<td>$(591,824)</td>
<td>$50,163</td>
<td>$(329,994)</td>
<td>50,178</td>
</tr>
<tr>
<td>Increase/(decrease) in provisions</td>
<td>$460,723</td>
<td>$690,269</td>
<td>$459,428</td>
<td>$690,269</td>
</tr>
<tr>
<td>(Increase)/decrease in liabilities</td>
<td>$(200,054)</td>
<td>4,763,853</td>
<td>$(38,023)</td>
<td>4,662,511</td>
</tr>
</tbody>
</table>

b  Credit standby arrangements with banks

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank overdraft and bill facility</td>
<td>$14,900,000</td>
<td>$21,200,000</td>
<td>$14,900,000</td>
<td>$21,200,000</td>
</tr>
<tr>
<td>Credit card facility</td>
<td>$80,000</td>
<td>$80,000</td>
<td>$80,000</td>
<td>$80,000</td>
</tr>
<tr>
<td>Amount utilised</td>
<td>$(13,000,000)</td>
<td>$(17,835,987)</td>
<td>$(13,000,000)</td>
<td>$(17,835,987)</td>
</tr>
<tr>
<td></td>
<td>$1,980,000</td>
<td>$3,444,013</td>
<td>$1,980,000</td>
<td>$3,444,013</td>
</tr>
</tbody>
</table>

Bank overdraft and bill facilities are arranged with the Commonwealth Bank of Australia with the general terms and conditions being set and agreed to.
Interest rates are variable and subject to adjustment at 90 day intervals.
### Note 18  Key management personnel compensation

<table>
<thead>
<tr>
<th></th>
<th>Short-term benefits</th>
<th>Post employment benefits</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Salary $</td>
<td>Bonus $</td>
<td>Non-cash Benefits $</td>
</tr>
<tr>
<td>2008</td>
<td>363,447</td>
<td>45,013</td>
<td>72,600</td>
</tr>
<tr>
<td>2007</td>
<td>397,882</td>
<td>40,251</td>
<td>69,912</td>
</tr>
<tr>
<td></td>
<td>761,329</td>
<td>85,264</td>
<td>142,512</td>
</tr>
</tbody>
</table>

### Note 19  Related party transactions

#### Normal course of business

Several directors of the Australian Council for Educational Research Limited hold a position with organisations with whom ACER conducts business. All transactions between ACER and these entities are on an arms length basis and on normal business terms and conditions.

#### Controlled entities

Transactions and balances with subsidiaries are disclosed separately in the financial statements.
Note 20  Controlled entities

<table>
<thead>
<tr>
<th>Name</th>
<th>Country of incorporation</th>
<th>Percentage owned %</th>
<th>Percentage owned %</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACER International Ltd</td>
<td>United Kingdom</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>ACER (India) Pte Ltd</td>
<td>India</td>
<td>100</td>
<td>0</td>
</tr>
</tbody>
</table>

Note 21  Company details

a  Registered office

The registered office of the company is:
Australian Council for Educational Research Ltd
19 Prospect Hill Road
Camberwell VIC 3124

Note 22  Financial instruments

a  Financial risk management policies

The Group’s financial instruments consist mainly of deposits with banks, local money market instruments, short term investments, accounts receivable and payable, loans to and from subsidiaries, bills, leases, preference shares, and derivatives.

Derivatives are used by the Group for hedging purposes. Such instruments include forward exchange and currency option contracts and interest rate swap agreements. The group does not speculate in the trading of derivative instruments.

Treasury risk management

A finance committee consisting of senior executives of the group meet on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.
Financial risk exposures and management

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

Foreign currency risk

The Group is exposed to fluctuations in foreign currencies arising from the sale and purchase of goods and services in currencies other than the Group’s measurement currency. Refer to Note 22 for further details.

Interest rate risk

Interest rate risk is managed with a mixture of fixed and floating rate debt. For further details on interest rate risk refer to Note 22.c. The company is exposed to changes in interest rates. It is possible that interest rates could increase or decrease by 2% in a financial period which would increase or decrease interest expense by approximately $260,000.

Liquidity risk

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

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, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

Credit risk is managed on a group basis and reviewed regularly by the finance committee. It arises from exposures to customers as well as through certain derivative financial instruments and deposits with financial institutions.

Credit risk for derivative financial instruments arises from the potential failure by counter-parties to the contract to meet their obligations. The credit risk exposure to forward exchange contracts is the net fair value of these contracts as disclosed in Note 22.

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

Price risk

The Group is not exposed to any material commodity price risk.

b Financial Instruments

Derivative financial instruments

Derivative financial instruments are used by the consolidated group to hedge exposure to exchange rate risk. Transactions for hedging purposes are undertaken without the use of collateral as only reputable institutions with sound financial positions are dealt with.
Forward exchange contracts

The consolidated group enters into forward exchange contracts to buy and sell specified amounts of foreign currencies in the future at stipulated exchange rates. The objective in entering the forward exchange contracts is to protect the consolidated group against unfavourable exchange rate movements for both the contracted and anticipated future sales and purchases undertaken in foreign currencies. The accounting policy in regard to forward exchange contracts is detailed in Note 1g. At balance date, the details of outstanding forward exchange contracts are:

<table>
<thead>
<tr>
<th>Settlement</th>
<th>Buy Australian dollars</th>
<th>Sell Euro</th>
<th>Average exchange rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1 year</td>
<td>$3,635,734</td>
<td>$5,605,295</td>
<td>0.58</td>
</tr>
<tr>
<td>Between 1 to 4 years</td>
<td>$3,289,474</td>
<td>$6,925,208</td>
<td>0.58</td>
</tr>
</tbody>
</table>
### Interest rate risk

The consolidated group’s exposure to interest rate risk, which is the risk that a financial instrument’s value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

<table>
<thead>
<tr>
<th>Weighted average effective interest rate</th>
<th>Floating interest rate</th>
<th>Non-interest bearing</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parent</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial assets:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>5.30</td>
<td>4.67</td>
<td>5,405,687</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Financial assets</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total financial assets</td>
<td>5.30</td>
<td>4.67</td>
<td>5,405,687</td>
</tr>
<tr>
<td>Financial liabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bill facility</td>
<td>7.43</td>
<td>6.98</td>
<td>13,000,000</td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total financial liabilities</td>
<td>7.43</td>
<td>6.98</td>
<td>13,000,000</td>
</tr>
</tbody>
</table>

| Consolidated                             |                        |                     |       |
| Financial assets:                       |                        |                     |       |
| Cash and cash equivalents               | 4.93                   | 4.67                | 5,909,286 | 6,527,027 | 2,395 | 1,250 | 5,911,681 | 6,528,277 |
| Trade and other receivables             | -                      | -                   | -     | -     | 11,035,036 | 8,898,775 | 11,035,036 | 8,898,775 |
| Financial assets                        | -                      | -                   | -     | -     | 428,537 | 586,475 | 428,537 | 586,475 |
| Total financial assets                  | -                      | -                   | 5,909,286 | 6,287,027 | 11,465,968 | 9,486,500 | 17,375,254 | 15,773,527 |
| Financial liabilities                  |                        |                     |       |
| Bill facility                           | 7.43                   | 6.98                | 13,000,000 | 17,835,187 | - | - | 13,000,000 | 17,835,187 |
| Trade and other payables                | -                      | -                   | -     | -     | 7,045,008 | 7,073,084 | 7,045,008 | 7,073,084 |
| Total financial liabilities             | -                      | -                   | 13,000,000 | 17,835,187 | 7,045,008 | 7,073,084 | 20,045,008 | 24,908,271 |
d  Maturity analysis

Trade and other payables are expected to be paid as follows:

<table>
<thead>
<tr>
<th></th>
<th>Consolidated</th>
<th>Parent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 6 months</td>
<td>$3,567,397</td>
<td>$2,975,480</td>
</tr>
<tr>
<td>1 to 5 years</td>
<td>$3,477,611</td>
<td>$4,097,604</td>
</tr>
<tr>
<td></td>
<td><strong>7,045,008</strong></td>
<td><strong>7,073,084</strong></td>
</tr>
</tbody>
</table>

e  Net fair values

Other assets and other liabilities the net fair value approximates their carrying values. No financial assets or financial liabilities are readily traded on organised markets in standardised form other than listed investments. Financial assets where the carrying amount exceeds net fair values have not been written down as the consolidated group intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.
Note 23  Change in accounting policy

Accounting standards issued but not yet effective

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

<table>
<thead>
<tr>
<th>AASB Amendment</th>
<th>AASB Standard Affected</th>
<th>Nature of change in Accounting Policy and Impact</th>
<th>Application date of the Standard</th>
<th>Application date for the group</th>
</tr>
</thead>
</table>
| AASB 2007–6 Amendments to Australian Accounting Standards | AASB 1 First time adoption of AIFRS  
AASB 101 Presentation of Financial Statements  
AASB 107 Cash Flow Statements  
AASB 111 Construction Contracts  
AASB 116 Property, Plant and Equipment  
AASB 138 Intangible Assets | 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 group’s financials. | 1 Jan 2009 | 1 July 2009 |
| AASB 123 Borrowing Costs           | AASB 123 Borrowing Costs                                                              | As above                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 1 Jan 2009 | 1 July 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 and makes changes to the statement of recognised income and expenditure. | 1 Jan 2009 | 1 July 2009 |
| AASB 1004 Contributions            | AASB 1004 Contributions                                                              | The revised AASB 1004: Contributions has been based on the review of the requirements of AAS 27: Financial Reporting by Local Governments, AAS 29: Financial Reporting by Government Departments and AAS 31: Financial Reporting by Governments. Specific considerations have been made in relation to Contributions, Liabilities Assumed by Other Entities, Government Department Disclosures Relating to Revenue, Restructures of Administrative Arrangements and Compliance with Parliamentary Appropriations and Other Externally Imposed Requirements by Government Departments, to ensure that these are appropriately addressed in AASB 1004. It is not expected that the revisions to AASB 1004 will result in a material change to the recognition and measurement policies of the group. | 1 Jan 2009 | 1 July 2009 |
The directors of the group declare that:

1. The financial statements and notes, as set out on pages 4 to 40, are in accordance with the Corporations Act 2001 and:
   (a) comply with Accounting Standards and the Corporations Regulations 2001; and
   (b) give a true and fair view of the financial position as at 30 June 2008 and of the performance for the year ended on that date of the group and economic entity.

2. In the directors’ opinion, there are reasonable grounds to believe that the group 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.

Director: Brian Caldwell

Director: Geofferey Masters

Dated: 12 September 2008
Australian Council for Educational Research Ltd

ABN: 19 004 398 145

Independent Audit Report to the members of Australian Council for Educational Research Ltd

Report on the financial report

We have audited the accompanying financial report of Australian Council for Educational Research Ltd (the group) and Australian Council for Educational Research Ltd and controlled entities (the consolidated entity), which comprises the balance sheet as at 30 June 2006, 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 of the consolidated entity comprising the group and the entity controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the group 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 control 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 (IFRS) ensures that the financial report, comprising the financial statements and notes, complies with IFRS to the extent applicable to not for profit organisations.

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. These Auditing Standards require that we 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 judgment, 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 circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

ABN: 19 004 398 145

Independent Audit Report to the members of Australian Council for Educational Research Ltd

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of Australian Council for Educational Research Ltd on, would be in the same terms if provided to the directors as at the date of this auditor’s report.

Auditor’s opinion

In our opinion:

a) the financial report of Australian Council for Educational Research Ltd and Australian Council for Educational Research Ltd and controlled entities is in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the company’s and consolidated entity’s financial position as at 30 June 2008 and of

(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the

b) The financial report also complies with International Financial Reporting Standards to the extent disclosed in Note 1.

Saward Dawson Chartered Accountants

[Signature]

Peter Shields
12 September 2008
Members of ACER Council

Chair
Professor Paige Porter

Deputy Chair
Professor Brian Caldwell

Nominee of Secretary of Commonwealth Department of Education, Science and Training (DEST)
Dr Trish Mercer, PhD History ANU
Group Manager, Research Analysis and Evaluation Group, Employment and Strategic Policy, Department of Education, Employment and Workplace Relations (DEEWR)

Nominee of Australian Education Systems Officials Committee
Mr Christopher Robinson, B Agr Ec, Grad Dip Soc Sci
Chief Executive Officer, Department of Education and Children’s Services SA (DECS)

Members elected by Council
Dr Peter Hill (to 31 December 2007), Cert Ed Birmingham, BA Hons London, DipEd, PhD Murdoch
Secretary General, Hong Kong Examinations & Assessment Centre
Ms Robyn Baker, MEd University of Victoria, Wellington, Dip Teaching Christchurch College of Education, BSc University of Otago,
Director, New Zealand Council for Educational Research
Professor Brian Caldwell (Deputy Chair), BSc, BEd Melb, MEd, PhD Alberta
Managing Director, Educational Transformations Pty Ltd
Dr Brian Croke, BA(Hons), DipEd Macquarie, DPhil Oxford, Fellow, Australian Humanities Academy Executive Director, Catholic Education Commission NSW
Professor Geoff Scott (from March 2008), BA, DipEd, MEd, EdD, FACE
Pro Vice-chancellor (Quality) and Provost, University of Western Sydney

Mr Tony Mackay, B Ec Monash, BEd Monash, MA (Ed), London
Executive Director, Centre for Strategic Education (CSE)

Professor Paige Porter (Chair), BA Missouri, MA PhD Stanford
Director, UWA Institute for International Development, University of Western Australia

Member elected by ACER staff
Dr Sheldon Rothman, BA Massachusetts, MAT New Mexico State, MEd(Hons) UNE, EdD Harvard
Principal Research Fellow, ACER

Chief Executive Officer of ACER
Professor Geoff Masters, BSc, MEd UWA, PhD Chicago, FACE
Chief Executive Officer, ACER
## Members of ACER staff

### Chief Executive Officer
Masters, Geoff, BSc, MEd UWA, PhD Chicago, FACE

### Executive Assistant to the CEO
O’Shannassy, Catherine, BA (Hons) Deakin, GradDip Mgt RMIT

### INTERNATIONAL DEVELOPMENT
Director of International Development
McGuckian, Peter, BAgSc, DipEd Melb

Administrative Officer
Kruse, Julie (to Oct 07)
Nugroho, Dita, BA, MPubPol ANU (from April 08)

ACER, Dubai Office
Egbert, Alan
Pangan, Lou
Rameshan, Reshma (to Dec 07)

ACER, India Office
Dhamija, Ratna
Chalam, PS
Chawla, Aruna

### CORPORATE DEVELOPMENT
Director of Corporate Development
Moore, Robert, BCom Melb

Professional Learning Manager
McSweeney, Fiona, BA (Hons) Melb, GradDip IR/HRM RMIT

Human Resources Manager
Coyle, Suzanne, BA, DipEd Macquarie

Human Resources Operations Officer
Jacobsen Britt, BBus Griffith

### CORPORATE SERVICES
Director of Corporate Services
Dawes, Wayne, BBus Monash, FCPA, ACIS

Corporate Communications

Corporate Publicity and Communications Manager
Reynolds, Louise, Cert Public Relations RMIT, BA (Hons) La T, MA (Communications) Monash

Corporate Publicity and Communications Officer
Robinson, Julia, BA(Journ) RMIT, GradCert(Mgt) Deakin

Corporate Communications Officer
Patsias, Christina (from Sept – Nov 07)

Journalist
Leech, Rebecca, BA (Hons) Deakin

Online Services Coordinator
Telliler, Gulay, BAppSci(T) RMIT

Facilities

Facilities and Services Coordinator
Sheean, Anita

Receptionists
Smith, Laura

Administration Assistants
Loughman, Michelle

Cleaning Services
Morgan, Sue

General Officer
Koglin, Dianne (from Dec 08)

Finance

Financial Controller
Kelly, Gary, BBus(Acc) Monash, FCPA, GAICD

Divisional Accountant
Cameron, Andrew, BCom Deakin, CPA

Project Accountant
Thomas, Alison, BBus(Acc) Bendigo, CPA

Corporate Accountant
Salo, Palvi (Oct 07 – April 08)

Payroll & Superannuation Manager
Harvey, Warwick
McLean, Sophie (Apr 07 – Jan 08)

Assistant Accountants
Guzowska, Anna, BEco Warsaw
Trembath, Stewart, BBus, GradCert (Acc/Fin) Swin

Accounts Payable Supervisor
McLean, Sophie (from Feb 08)

Accounts Officers
Bedford, Tracy
Car, Lyn
Couttie, Rebecca
Di Giovine, Cesira

Finance Administration Officer
Van Grunsven, Maryanne

Information Technology Manager
Nguyen, Daryl, BIS Monash
Software Engineering Manager
Daws, Alisdair, BSc (Hons) GradDip(Internet & Web Comp), PhD MTech(Internet & Web Comp)

Software Engineers
Chan, Phooi Lai, BComp (Hons) Monash
Chin, Edward, GradDipBusSys, MBusSys Monash, BBus Huafan
Ellis, Donal
Haldane, Samuel, BCS Melb
Lam Wing S
Naumovski, Goran (to March 08)
Oakes, Stephen, BSc (Hons) La T
Rainford, David, BA (Hons) Economics Essex

Support Engineer
Huynh, Tai, BCompSci Monash

Network Administrator
Nguyen, Hoai, BCompSci Monash

Systems Engineer
Lie, Jafar, DipTech(Comp), BComp Monash
(to March 07)

Helpdesk and Support Manager
Lie, Jafar, DipTech(Comp), BComp Monash
(from March 07)

Desktop Support Officers
Delcourt, Christophe
Lie, Jafar, DipTech(Comp), BComp Monash
Moring, Lucas
Raats, Robert
Von Shrenk, Otto (to Jan 08)

Software Developer
Singh, Sukhjit

Junior Software Developer
Tran, David, B Multimedia, AdvDCompSci Swin

Project Services Coordinator
Kent, Rachel, BBus(InfoSystems) VUT

General Officer
Koglin, Dianne (to Dec 08)

PROFESSIONAL RESOURCES DIVISION
Deputy CEO (Professional Resources)
Macklin, Pamela, DipTeach Melb, BEd Deakin,
GradDipArts(Asian Studies) Melb, DipCDC AICD,
GAICD, AFAIM, MACE

Senior Administration Officer
Acker, Vivienne
Kruse, Julie (from April 08)

ACER Press
Manager
Saubern, Ralph, GradDipCompScience (Hons) RMIT, BA
Melb, BEd La T, MTESOL Monash, CTEFLA Holmes
College, AIMM AIM

Consultant Psychologist
Power, Marian, BA (Hons), MA(AppPsych)
Melb, GradDip Career Educ RMIT, MAPS, AACC,
AusAPT

Sales & Marketing Manager
Rolls, Annemarie, BA (Hons,Lit.) CoC,
MA(Communications) Monash, GradCert (Ed &
Training) VUT

Marketing Coordinator
Sieradzki, Melissa, BA, La T, GradDipPub&Edit Monash

Assistant Marketing Manager
Stephens, Mandy, BA Monash, GradDipMktg RMIT

Marketing Promotions Officer
Koch, Josh, CertIV Prof Writing & Editing RMIT

Bookseller
Stoks, Tracey

Sales Consultants, Education
Cornish, Terri, BEd (Hons) Wollongong, Dip Book Editing
& Publishing Macleay College
Evilish, Karen, BA, DipEd Rinders
Inglis, Julia, BA, Monash, DipEd Rusden
Smith, Barbara, BCom, DipEd, Melb,
GradDip(SecStudies) VicCol,
GradCert(CareerCounselling) RMIT
Thompson, Shane, DipT Kuring-gai, BEd Deakin
Walker, Jon (Aug 07 – Feb 08)
Sales Consultants, HR/Psychology
Ferrara, Gerard, BA(Psych/HRM) Swin, GradDip(AppPsych) VU, MAPS, AHRI
Lammi, Eirini, BA(Ed), MA(CounsPsych), PostgradCert(OrgBeh)

Customer Service Supervisor
O’Loughlin, David

Customer Service Coordinator
Higgins, Christine, GradCert(Mgt) Deakin, CertIV
Electronic Publishing HolmestGP

Customer Service Officers
Bennett, Yvonne (to March 08)
Gardiner, Jan
Hoeyberg, Mette
Keele, Julie, TPTC Coburg
King, Alex, BEnvSci(mgt) CSU
Malbon, Megan, BComm(Journ), DipEd(Sec) Monash
Manuel, June (to July 07)
Major (McNab), Victoria, BA, GradDipPsych Melb
Marshall, Lexie
Whitehead, Simone

Despatch Manager
O’Neill, Steven

Despatch Officers
Gilder, Peter
Parsons, Steve
Smith, Ian
Choi, Monty

Publishing Managers
Watson, Andrew

Production Manager
Coates, Jillian, DipPM

Product Manager (Assessment)
Lim, Li-Ai, BSoSc(Hons Psych), MA (App Psych)

Project Editors
O’Keefe, Maureen, BA, GradDip InfoMgt/Librarianship UNSW
Pinches, Amanda, BComm (Public Relations) Monash,
CertArts & DipArts (Professional Writing and Editing) Chisholm, GradDip (Editing & Publishing) RMIT

Publishing Assistant
Weiss, Elisa, BA (Hons) Melb, GradDip (Editing & Publishing) RMIT

Production Assistant
Proctor, Holly, BA Swin

Publishing Manager, Journals
Holden, Steven BA (Hons), DipEd, MA, PhD Tas

Senior Project Officer, Educare
Richardson, Lesley (to April 08)

National Advertising Manager
Brown, Carolyn

Desktop Publisher, Journals
Schulebe, Ralph

Project Publishing Manager
Grose, Craig, Dip Art (Graphic Art) QUT

Senior Desktop Publishing Officers
Jeffrey, Darren, DipArt (Graphic Art) RMIT
McGregor, Wendy
Swanwick, Robyn

Desktop Publishing Officer
Lidock, Gloria

ACER Leadership Centre
Manager
Carrington, Neil, DipTeach Griffith, BEd QUT, MEd, MEd(Psych) JCU, PhD UNE

Manager ACER Leadership Projects
Cahill, Mary, MBus(HR/IR) VU, GradDipEduAdmin
Deakin, BEd Melb, CertIV Workplace Training and Assessment MCAE

Senior Project Officer
Cutting, Stephen
Kruse, Julie (Oct 07 to April 08)
Meachen, Janine, CertIII Bus Admin, DipPM (to Aug 07)

Centre for Professional Learning
Manager
Hoad, Kerry-Anne, MEd Melb, BA, GradDip Special Ed SCVB, DipTeach IEDC, CertIV WorkplaceTrain&Assess Box Hill

Education Consultants
Cranitch, Carmel, DipT(Prim) BCAE, BEd QUT, MEd Language & Literacy Education QUT (to March 08)
Rosman, Lynda, BEd, GradDip Melb, GradDip Chisholm

VIF Project Manager
Hayes, Jennie

Project Officer
Pye, Brendan, BFA VCA, DipEd Melb

Administrative Officer
Taylor, Margaret
Library and Information Services

Manager
Deveson, Lance, DipTeach(Prim), DipComp Ballarat, DipLibrarianship Melb, ALIAA, ARMAA

Senior Librarian
Knight, Pat, BA, Swin, MLS Loughborough, GradDip Assess & Eval Melb

Librarians
Hughes, Stuart, BA (Hons) Otago, MA Monash, AALIA
Grimston, Tim, BEd Librarianship Melb State Coll
Lissonnet, Sophie, MBus (InfMgt) RMIT, MIndgStud JCU
McDowell, Katie, BA, Melb, GradDip (Info Services) RMIT
Psilakos, Lula, BBus RMIT, AALIA
Trevitt, Jenny, BA Monash, GradDipLib, MBus Info Tech (InfMgt) RMIT

Library Technicians
Barnes, Jenny
Britton, Cheryl, AssocDipAppSocSci (Lib&InfSt) Box Hill TAFE
Foot, Christopher, DipLibrary/InfoServices VU
Kocaj, Gabrielle

Record Services Manager
Fraser, Simon

Record Services Officer
Bonning, Judy (to April 08)
Khan, Shamsun

Despatch Officer
Evans, David (to Feb 08)
Morgan, Jamie (Jan to April 08)

ASSESSMENT SERVICES DIVISION

General Manager
Jackson, Deirdre, MBM, Cert Project Consulting RMIT, BA Monash, DipEd Melb

Markers Coordinator
Dick, Wendy, BA, MA Melb, TTPC Frankston/ Monash
Lennie, Christine, DipTeach Melb GradDipEduTech

Administrative Officer
Skinner, Heather

School Education

General Manager
Butler, Adele, BSc (Hons), BEd Monash, DipEd Rusden, GradCertEduLeadership VUT, MEd RMIT, MPhil Master Project Director AIPM

Education Consultants
MacMahon Ball, Marita, BA (Hons) DipEd Sydney, MA (Communications) Monash (to Sept 07)
Morrish, John, DipEd, BEd Melb, BA, MA Monash

Senior Project Director
Weeding, David, BEd Melb

Project Directors
Dodds, Robyn, BA RMIT, GradDipSoc LaT

Senior Research Fellows
Filipi, Anna, BA, MA Melb, DipEd, PhD Monash
Richardson, Carmel, BA Ed (Hons), MEd Psych Melb, MAPS

Senior Project Officers
Brouwers, Bernadette, BA, GradDipEd, MA (Applied Linguistics) Melb, GradCert (Catholic Studies) ACU
Chung, Michelle, BBus (InfoSystems) RMIT
Elder, Sarah, BA Monash, GradDip (Admin) Chisholm Inst
Greaves, Sarah, BEd, GradDipCompEd, GradDiplInfoMgt (to May 08)
Hindson, Karen, BAppSc, PostGrad Cert BusAdmin Murdoch
Robertson, Glenda, BA (Hons) Canterbury, MA Harvard
Meachen, Janine, CertIII Bus Admin (from Aug 07)

Higher Education

Manager, Medical and Professional Programs
Aldous, Cecily, BA, Melb, DipEd (TESL) LaT (to Jan 08)

General Manager, Higher Education
MacMahon Ball, Marita, BA (Hons) DipEd Sydney, MA (Communications) Monash (from Sept 07)

Senior Project Director
Nankervis, Susan, BEd, MEd Melb, GradCertBus (Proj Man) Swin

Project Directors
MacLeod, Kirsty, BEd/BA (Hons) Monash, GradCertBus (ProjMan) Swin
Norris, Lisa
Veile, Veronica, BA (German) Melb, MTech (Internet & Web Comp) RMIT

Senior Project Officers
Hong, Joyce, BA, NUS, PDipEd NTU, MA(AppLing) Melb
Murphy, Esther, BA (Languages) Monash, CCELTA Holmes Institute (to Jan 08)
Plunkett, Simon, BA ANU, DipEd Canberra

Project Officer
Mauger, Kellie, BMus(Composition) Qld Conservatorium Miles, Louise (to July 07)
Corporate & Vocational Education
Manager, Corporate & Vocational Program
Foster, Larry, BA (Hons), MA, PhD Manchester, PGCE/DipEd, MA Melbourne, GradCertMgmt VUT, CertLeadershipDev Arizona, GradCertMgmt CSU, Cert IV Assessment and Workplace Training Holmesglen, Certificat de la Langue Française Paris (from Oct 07)

Project Director
Brinson, Laura, AssocDipSocSci (Lib&InfSt) Swin

Senior Project Officers
Fung, Rachel
Sadler, Alison, BA, DipEd (to Jul 07)

Project Officers
Good, Susannah

Project Operations Administrator
Williams, Tanya, BA, GradDipEd Melb, GradCertBus Proj Man Swin

RESEARCH DIVISION
Assessment and Reporting
Research Director
Forster, Margaret, BA (Hons), DipEd La T, MEdSt Monash, PhD Melb

Principal Research Fellow and Head, ACER Brisbane
Matters, Gabrielle, BSc UQ, AMusA QCM, PhD QUT, FACE

Principal Research Fellow and Manager, ACER Perth
Cook, Jacelyn, BA UWA, Teachers’ Cert STCWA

Principal Research Fellows
Fraillon, Julian, BA GradDip Melb, GradDip(Maths) Melb McGrae, Barry, BSc (Hons), DipEd Melb, MEd Monash Mendelovits, Juliette, BA (Hons), DipEd La T, MA(Eng) Melb

Rothman, Sheldon, BA Massachusetts, MAT New Mexico State, MEd (Hons) UNE, EdD Harvard (from March 08)

Senior Research Fellows
Anderson, Prue, BA, MEdSt Monash, DipEd La T Bibby, Yan, BEng Shanghai, MEng Auck, CertIT Newcastle, GradDipAppFininv SIA
Bryce, Jennifer, BA, BEd Melb, DipArts VicColl, MSocSci RMIT, PhD RMIT
Farkota, Rhonda, DipTeach, BEd Melb, MEdSt Monash, EdD Monash
Hambur, Sam, BSc (Hons) Monash, DipEd HIE

Lai, Kelvin, BA (Hons) Maths/Statistics, MEd (Ed Evaluation), AdvancedDipEd, DipEd Hong Kong, MSc(AppStats) Oxford, PhD (Ed. Measurement and Assessment) Melb (to Jan 08)
Lindsey, John, BSc (Hons), PhD Monash, DipEd Melb Lumsley, Thomas, MA, Oxon, DipEd La T, MA PhD Melb Martin, Ron, BSc, BEd, GradDipEdAdmin Melb, MEnvSci PhD (Environmental Studies) Monash McCurry, Doug, BA (Hons) DipEd La T, PhD Monash Stephanou, Andrew, PhD, DipEd Melb, Laurea di Dottore in Fisica Rome

Senior Project Director
Hay, Andrew, BSc, DipEd, MEd Melb, GradDipEd. (Maths Ed), Dip.Frontline Management Chisholm

Research Fellows
Bastecky, Lucy, GradDipEd ACU, BA (Hon) La T, BAComm NSWIT (to Aug 07)
Butler, Mark, BSc (Hons) Warwick, PGCE Manchester Calvitto, Leanne, BAppSci (Hons) RMIT Duckworth, Daniel, BA (Hons) La T, GradDipEd (Secondary) Melb Edwards, Jane, BSc (Hons), MSc (Geo) Melb, BEd Deakin Fraillon, Julian, BA, GradDip, GradDip (Maths) Melb Gross, Roslyn, BA (Eng & Hons Hist), DipEd Melb Hall, Robyn, BA (Hons), BSc Monash Harding, John, BSc, BEd Monash, DipEd Rusden DipArts Bendigo Hohfield, Karin, BA, GradDipEd Monash Hughes, Melissa, BA (Hons), GradDipEd Monash, GradCertCALL Melb (to Jan 08)
Hunt, Malcolm, BSc (Hons), DipEd, PhD Melb Hutton, Barry, BA, DipEd La T, MEd Melb Inglis, Andrea, BA (Hons), DipEd, MA, PhD Melb Jackel, Brad, BA (Hons), PhD Monash Kelly, David, BA (Hons), MA UQ, DipEd Sydney Kreibich, Robyn, BSc (Hons), DipEd Monash Lye, Helen, BSc, Melb, DipEd Monash McGregor, Margaret, BEd(Prim), MEd Studies Monash, TPTC Frankston Moore, Jacqueline, BEd(Sec) Melb, GradDipTESOL&Linguistics Victoria Nixon, Judy, BA, DipEd Melb, BA (Hons) Psych Deakin Peck, Ray, BSPECIAL Ed Monash, BSc, DipEd Melb Perrett, Bill, BA, Melb, DipEd, PhD La T Pywell, Sean, BSc (Hons), DipEd, PhD Raivars, Andrew, BA (Hons), DipEd, Blitt (Hons) Monash, GradDipMathSc MCAE Searle, Dara, BA, BSc (Hons) Psych Melb Sendy-Smithers, Lynn, BA, DipEd Monash, COGE UNSW
Simpson, Brian, BSc, DipEd Melb (to Feb 08)
Tan, Ling, BAppSc (Hons) RMIT, PhD Monash
Thau, Felicia, BSc, DipEd Melb
Urbach, Daniel, BCom (Hons) Monash
Zoumboulis, Stavroula, BSc/BEd, Monash, GradCertEdStudies(Gifted Ed) Melb

Research Officers
Bates Jarrod, BA (Hons) La T, Postgrad Dip (Editing & Comm) Melb
Michaels, Esther, Cert SmallBusMgt, BEd (MathsSci) Melb (to Nov 07)
Pearson, Penny, BSc ANU, DipEd(Sec) Canberra, GradDiplang(Jap) Monash
Twigg, Kylie, BBSc (Hons) La T, MSc (App Stats) Swin

Senior Administrative Officers
Crawford, (Bolton) Kirsty, BA (Anthropology) Monash, GradDip Museum Studies Deakin
Gillett, Sharon, BEd (Sec) Russia, GradDipComp
Chisholm, GradCertEduTrain, MEd Melb (to Nov 07)

Administration Officers
Bates, Carmel
Cubas, Renata
Hind, Kelly, BAppSc, PostGradCertBusAdmin Murdoch
Lovering, Tania, CertIV Interior Design Ithaca College (to March 08)

National and International Surveys
Deputy CEO (Research) and Research Director
Ainley, John, BSc, MEd, PhD Melb, FACE

Principal Research Fellows
Schulz, Wolfram, Dipl-Pol Berlin, PhD (EcoSocSci) Rostock
Thomson, Sue, BAppSci RMIT, DipEd, PhD Monash, GradDipMathsEd Deakin, MEdSt
Turner, Ross, MSc, DipEd Melb, DipEdPsych Monash

Senior Research Fellows
Cosgrove, Jude, PhD Edu NUI
Gebhardt, Eveline, MA Psych UVA
Macaskill, Greg, BSc (Hons) Adel, GradDipComStudies RMIT, GradDipStatsOR RMIT
Mellor, Suzanne, BA, DipEd Melb, BEd La T, MEdSt
Murphy, Martin, BA, DipEd, MEdStds Monash, GradDipSocStat Swin
Routitsky, Alia, BSc (Hons, Maths), PhD (Maths) Virtonezhr, DipEd Melb, DipSocStats Swin
Walker, Maurice, BA (Hons) VUW, MAssessEval Melb

Research Fellows
Buttress, Wei, BBus(International Finance), BA(Foreign Languages) Shenayang
Chow, Renee, BBus(Mkt) RMIT, PostgradCertAssess&Eval, MAssess&Eval Melb
Darahanou, Aliaksandr BSc (Hons) (Physics) Minsk, PhD (Physics) Monash
De Bortoli, Lisa, BAppSci Deakin, GradDipCounsPsych RMIT
Huang, Tony
Hong, Jennifer, BA, MSc (App Statistics) Swin
Kovarickova, Nora, Dipling, DipEdTh (from June 08)
Lay, Dulce, BEd La T, GradDiplSc(AppStat) Swin, DipLang (Chinese) La T
Le, Luc, BSc Hue, MEd RMIT
Menyen, Thoa, MSci(Stats) Monash, GradDipHumanserv (counselling) Swin
Nguyen, Van, BSc Hue, MEd RMIT, MA Psych, PhD Hanoi
Tabata, Naoko, BEd (Special Ed) Kyoto University of Education, MEd (Int & Comparative Ed) Indiana-Bloomington, DEd (Program Evaluation) Melb
Wernert, Nicole, BBSc La T, GradDipPsych

Research Officers
Deery, Alana, BA (Hons) Psych Melb (from Oct 07)
Doukas, George, BSc Melb, GradDipECSt Monash (to Jan 08)
Handayani, Dewi, ST ITB (to Aug 07)
Hersbach, Elizabeth
Nicholas, Marina
O’Malley, Kate, BA, BCom, Sydney
Plotka, Anna
Shortt, Fionauala, BA (Hons) UCD, MSc (Cog Science) UCD (to Feb 08)
Twigg, Kylie, BBSc (Hons) La T, MSc (App Stats) Swin (to Aug 07)
Wenn, Louise, BA (Hons) Psych Melb (from Sep 07)

Senior Project Officer
Wardono, Wahyu, ST ITB, Indonesia MBA, Colorado (to Feb 08)

Senior Administrative Officer
Zubrinich, Julie, BA UWA, BEd Deakin

Policy Analysis and Program Evaluation
Research Director
Beavis, Adrian, BA CIT, MEd, PhD Melb

Principal Research Fellow
Lonsdale, Michele, BA (Hons), DipEd Melb, GradDipStudentWelfare HIE, MEd, PhD La T
Dowling, Andrew, BA (Hons), Grad Dip Teach (Sec), MA (Research), Executive MBA AGSM, PhD Sydney

**Research Officer**
Underwood, Catherine, BA, Grad Cert (Soc Stats), Swin

The Psychometrics Institute

**Director**
Khoo, Siek Toon, BSc Canterbury, Dip Ed Singapore, Grad Dip Comp Sc La T, MEdSt Monash, PhD UCLA

Systemwide Testing

**Research Director**
Freeman, Chris, MA Macquarie, BComm UQ, Dip Teaching ASOPA

Manager, System Testing
Arthur, Phillip, BEd ACAE

**Research Fellows**
Blumen, Sacha, BA (Hons) Qld, AMusA PhD Sydney (to Oct 07)
Eveleigh, Frances, MEd, BEd UNSW, Dip Ed SCAE
Reid, Greg, BEd/BA (Hons) JCU, Prep Cert TEFL London, DST Sydney, Cert Writing UTs
Sadeghi, Rassoul, BA, Shiraz, MA Tehran, PhD UNSW

**Administration Officer**
Helmrich, Trudy (from Aug 07 – Feb 08)

**Receptionists**
Mahony, Pat

Teaching, Learning and Leadership

**Research Director**
Dinham, Stephen, Dip Teach, Alexander Mackie CAE, BA, MEdAdmin, PhD, UNE, FACE, FACEL, FAIM

**Principal Research Fellows**
Purdie, Nola, PhD, MEd, BEd, Dip Phys Ed UWA, TC Claremont
Ingvarson, Lawrence, BSc, Dip Ed UWA, MA London, PhD Monash FACE
Rowley, Glenn, BSc, BEd Melb MA, PhD Toronto

**Senior Research Fellows**
Anderson, Michelle, BEd Rusden, MEd Melb
Kleinhenz, Elizabeth, BA, BEd Melb, EdD, MEd Monash TPTC
Kos, Julie, BA (Hons) Deakin, MA, (Clin Psych)/PhD RMIT
Meiers, Marion, BA, Dip Ed Melb, BEd, MEd Monash, MACE

**Research Fellows**
Frigo, Tracey, BBSc, La T, Dip Ed Bendigo, Grad Dip Adol & Child Psych Melb

**Research Officers**
Ozolins, Clare, BA LLB Monash, BTeach (Prim) Melb
Wilkinson Jenny, BA, BEd Melb, MEd Stud, Cert Gift Ed Monash

**Indigenous Education Researcher**
Milgate, Gina, BCom/Mkt & Mgt, Grad Dip Bus Stud (Mkt & Mgt), Grad Cert High Ed UNE

**Research Officers**
Rosicka, Christine, BA, BBus, MIT IT Mgt Swin, Grad Dip Ed (Prim) Monash (to Sep 07)

**Administrative Officer**
Curtin, Emma, BA (Hons) Birmingham, MA Calgary, PhD La T, Grad Cert (Mgt) AIPM (to March 08)
Mattea, Julia, BBus (HRM), BBA, Deakin, Cert IV (TTT) (from March 08)

Transitions and Post-school Education and Training – from March 08

**Research Director**
McKenzie, Philip, BEd (Hons), Dip Ed, MEd, PhD Monash, FACE

**Principal Research Fellows**
Marks, Gary, BSc (Hons), MSc Melb, PhD UQ
Coates, Hamish, BA (Hons), BSc, MEd, PhD Melb

**Senior Research Fellows**
Curtis, David, BSc (Hons) Adel, Grad Dip Inst Comp SACAE, MEdSt, MA, Ed D Flinders (to Feb 08)
Edwards Daniel, BA (Hons), PhD Monash
McMillan, Julie, BA (Hons), PhD UQ

**Research Fellows**
Stefan Nesteroff, MSc (Medical Science) Amsterdam, GCert Teaching & Learning in Higher Education Swin

**Research Officer**
Friedman, Tim, BSc (Hons) (Psych) Monash
Radloff, Alexandra

**Senior Project Officer**
Wong, Zilla (until Jul 07)

**Senior Administrative Officer**
Firth Trish

Learning Processes and Contexts – to March 08

**Research Director**
Rowe, Ken, BA (Hons) PhD Melb, MSc London, Dip Gen Studs Swin, TPTC FACEL (to May 08)

**Principal Research Fellow**
Purdie, Nola, PhD, MEd, BEd, Dip Phys Ed UWA, TC Claremont
Research Fellows
Frigo, Tracey, BBSc La T, DipEd Bendigo, GradDipAdol&ChildPsych Melb

Indigenous Education Researcher
Migate, Gina, BCom (Mkt & Mgt), GradDipBusStud (Mkt & Mgt), GradCertHighEd UNE

Research Officers
Ozolins, Clare, BA LLB Monash, BTeach(Prim) Melb
Rosicka, Christine, BA, BBus, MIT IT Mgt Swin, GradDipEd(Prim) Monash

Administrative Officers
Bates, Susan
Firth, Patricia

Transitions and Economics of Education – to March 08

Research Director
McKenzie, Phillip, BEd (Hons), DipEd, MEd, PhD Monash, FACE

Principal Research Fellows
Coates, Hamish, BA (Hons), BSc, MEd, PhD Melb
Marks, Gary, BSc (Hons), MSc Melb, PhD UQ
Rothman, Sheldon, BA Massachusetts, MAT New Mexico State, Med (Hons) UNE, EdD Harvard

Senior Research Fellows
Curtis, David, BSc (Hons) Adel, GradDiplInstComp SACAE, MEdSt, MA, EdD Flinders
McMillan, Julie, BA (Hons), PhD UQ
Scott, Catherine, BA Sydney, DipEd Mitchell CAE, GradDipChildDev(Hons) FCYS (Foundation for Child and Youth Studies), PhD Macquarie (Aug 07)

Research Fellows
Hillman, Kylie, BA (Hons) MEd Psych Melb, Psych Reg Board Vic

Research Officer
Friedman, Tim, BSc (Hons) (Psych) Monash

Senior Project Officer
Wong, Zilla (until Jul 07)
Melbourne office
19 Prospect Hill Road (Private Bag 55)
Camberwell VIC  3124
Telephone +61 3 9277 5555
Facsimile +61 3 9277 5500

Sydney office
1/140 Bourke Road (PO Box 6483)
Alexandria NSW  2015
Telephone +61 2 8338 6800
Facsimile +61 2 9693 5844

Brisbane office
1/165 Kelvin Grove Road
Kelvin Grove QLD  4059
Telephone +61 7 3238 9000
Facsimile +61 7 3238 9001

Perth office
7/1329 Hay Street
West Perth WA  6005
Telephone +61 8 9485 2194
Facsimile +61 8 9485 2195

ACN 004 398 145    ABN 19 004 398 145