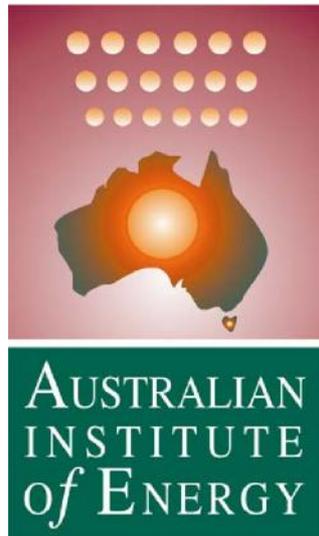


*THE AUSTRALIAN
INSTITUTE of ENERGY*



*2010-11
ANNUAL REPORT
& ACCOUNTS*

ABN 95 001 509 173

THE AUSTRALIAN INSTITUTE *of* ENERGY

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THE AUSTRALIAN INSTITUTE *of* ENERGY

Annual Report 2010-11

PRESIDENT'S REPORT

The Australian Institute of Energy has been providing its members with services for over 30 years, and has established a reputation for unbiased, factual and informative services to its members and the energy interests of Australia.

The 2010-11 year has been another great year for the Institute. This year we hosted more than 60 events across 8 states and territories, covering a very wide range of energy related issues, as can be seen in the Branch reports. One of the highlights was the very successful National Conference in November, hosted by the South Australia Branch, themed "Australia's Energy - Next Generation". Next year, Sydney Branch will host the 2012 National Conference, with the theme "Australia's Energy Future: Air Water Fire Earth: Spoiled for Choice?" Our Journal – Energy News – continues to provide members with high quality, informative articles and news, and once again we express our appreciation to the Journal Editor, Joy Claridge.



President Tony Vassallo opening the AIE National Conference 2010

The community has maintained its interest in energy and there have been a growing number of public talks and presentations aimed at informing and engaging the public. Through our eight branches across Australia, the Institute will continue to encourage, support and facilitate the intelligent discussion of energy issues for our members and the wider community. This year we explored setting up a branch in Darwin, and discussions are underway with interested parties in the energy sector there.

During this last year, our membership has decreased slightly to 1417, however we remain in a sound financial position, and have been able to maintain our modest membership fees despite increasing costs for many of our services. PAMS, our administration group, has continued to provide high quality services to our membership, and plays a key role in our operation.

In order to better meet the needs of our members, we undertook our second members survey recently and will use the results to guide our strategy for the next few years. Thank you to all those members who provided their feedback. We plan to provide an initial analysis in a forthcoming issue of Energy News and on our web site.

The Young Energy Professionals – YEPs – have continued to grow and we are particularly pleased to see the high level of activity in Perth and other branches.

This is my second and final year as President, and I would like to express my gratitude to all the Board members, for their continued dedication and support and to the professional services of PAMS, as well as the very significant amount of time provided by volunteers at the Branch Committees. Again, I would like to thank each and every member for their continued support and look forward to meeting you at your functions during the coming year.

Anthony Vassallo

President

SECRETARY'S REPORT

The Directors who served on the AIE Board in 2010-11 were:

Dr Tony Vassallo	President
Mr Murray Meaton	Vice-President (to 22 March 2011)
Mr Brian Truman	Vice-President (from 22 March 2011)
Mr Paul McGregor	Hon Secretary
Mr Glen Currie	Hon Treasurer
Dr David Allardice	
Mr Patrick Burke	Tasmanian Branch Representative (to 22 March 2011)
Mr Michael Cochran	
Dr Andrew Dicks	Brisbane Branch Representative
Mr James Giblin	Newcastle Branch Representative (from 17 July 2010)
Ms Anntonette Joseph	
Mr Paul Riordan	
Dr Jane Sargison	Tasmanian Branch Representative (from 22 March 2011)

As the list indicates, the AIE Board lost through retirement in the 2010-11 year, Patrick Burke who has made a significant contribution to the Institute. Patrick Burke joined the Board in 2009, and also serves as Chair of the Tasmania Branch. The Board thanks Patrick for his contribution to the development of the Institute, particularly in Tasmania.

We welcomed two new directors to the Board in 2010-11, Anntonette Joseph, from the Canberra Branch and Dr Jane Sargison from the Tasmanian Branch. They are already making a significant contribution to the Institute's management.

For the first time since 2006, the AIE held a National Conference, successfully organised and hosted by the South Australian Branch.

We are also sad to record the passing of a six of our long-standing members of the AIE, in particular:

- Harry Baddams, Life Member, President in 1979, Board Member for 14 years and AIE Journal Editor; and
- Dr. Dave Warren AO, the 1999 AIE Medallist and inventor of the aviation "black box" flight data recorder. There would not be many members of the AIE who have a Qantas Airbus 380 named after them.

We acknowledge the contribution they made to the development of the AIE.

This is the third full year of the AIE's secretariat functions being conducted by PAMS. In many ways this has been a continuing development but one that has been constructive to the improvement of services to our members.

Paul McGregor

Honorary Secretary

MEMBERSHIP REPORT

The Membership Committee reports that during 2010/2011 membership of the Institute decreased by 1.4% as shown in Table 1.

While 154 members ceased membership for various reasons in 2010/2011 as shown in Table 2, the net loss of 21 means the Institute recruited 133 new members during the year.

TABLE 1: AIE MEMBERSHIP DETAILS AS AT 30TH JUNE 2011

Branch	Individual Grades					Corporate		TOTAL at 30 th June	
	Fellow	Member	Grad.	Student	Assoc.	Corporate Members	Multiple Reps	2011	2010
Brisbane	30	71	3	6	4	5	7	126	130
Canberra	12	18	1	2	0	2	0	35	39
Melbourne	91	147	11	31	15	31	32	358	370
Newcastle	11	19	2	1	3	3	1	40	47
Perth	37	86	6	4	11	59	60	263	246
South Australia	26	58	1	6	9	20	34	154	152
Sydney	82	178	19	25	26	29	41	400	415
Tasmania	2	14	3	0	1	0	0	20	22
Overseas	7	10	1	1	0	1	1	21	17
TOTAL	298	601	47	76	69	150	176	1417	1438

Note: The Multiple Reps column shows the number Corporate Representatives which Corporate Member companies or organisations have nominated, in addition to their principal representative counted in the Corporate Members column.

Table 1 is a breakdown of the membership by Branch and Membership Grade as of 30th June 2011. It shows that three Branches (Perth 6.9%, Overseas 23.5% and South Australia 1.3%) have shown an encouraging increase in Membership, with the strongest percentage growth Overseas (23.5%), but greater numbers gained in Perth (17). The largest percentage losses were in Newcastle (14.9%) and Canberra (10.2%), but greater numbers were lost from Sydney (15) and Melbourne (12).

TABLE 2: CEASED MEMBERSHIP DETAILS FOR 2010-2011

Member Type	Resigned	Deceased	Cancelled	TOTAL
Individual	49	6	70	125
Corporate	17	-	12	29
TOTAL 2010-11	66	6	82	154
TOTAL 2009-10	84	5	54	143

Table 2 shows the number of members who have ceased membership of the Institute for various reasons over the last year. The total loss due to either resignation, deceased or cancelled due for non-payment of fees, was 154 (11 more than during 2009/2010). Of the 154 members lost during this year 66 resigned, 6 were deceased and 82 were cancelled as required in the Constitution due to non-payment of fees for two consecutive years.

Colin Paulson

Membership Committee Convener

BRANCH REPORTS

Brisbane Branch

Brisbane Branch Committee:

Andrew Dicks	<i>Chair & AIE Board member</i>
Leigh Morpeth	<i>Hon. Secretary</i>
Adrian Horin	<i>Hon. Treasurer</i>
Randeep Agarawal	
Nadine Rabu	

During this year the Treasurer Adrian Horin, Nadine Rabu and Sarah McDermott left the committee for work reasons and we have been seeking new committee members from amongst the Brisbane Branch. The Branch ran an event on Commercial Building Disclosure in September 2010 and in 2011 supported the Future Fuels for Australia Conference that was organized by the University of Queensland. After a fallow year plans are underway for meetings in October and November 2011.

Canberra Branch

Canberra Branch Committee:

Anntonette Joseph	<i>Chair and AIE Board member</i>
Ross Calvert	<i>Hon. Secretary</i>
Ross Calvert	<i>Hon. Treasurer</i>
John Söderbaum	

The Canberra Branch continues to work in cooperation with other industry associations to capitalise on events and marketing. Due to the transient behaviour of members, events are better suited to less regular but strategic activities to take advantage of a particular occasion or international guest.

In 2010-11, two AIE-exclusive branded events were organised:

- Dr Perry Sioshansi, President Menlo Energy Economics and editor of EEnergy Informer from the United States presented on the current status of US climate change and energy debate. The event attracted both members and non members.
- State of Play on energy in the Australian Government networking and information session was conducted when the AIE National Board met in Canberra. Three Australian Government speakers presented on the role of their organisation in setting the energy agenda in Australia. The event attracted both members and non members.

During the past year, Canberra Branch has been meeting with Australian Government representatives to build a profile and gain recognition in the industry. Strategic alliances have also formed with the ACT Government.

Canberra often has difficulties maintaining medium and long-term active members, as it is a transient city with members often staying for short periods depending on work opportunities. This presents challenges in supporting and growing AIE members in the region.

PAMS have been providing administrative functions to the branch which is allowing for committee members to focus on capacity development, relationship building and supporting events.

Melbourne Branch

Melbourne Branch Committee:

Joy Claridge	<i>Chair</i>	
Alistair Urquhart	<i>Deputy Chair</i>	
Glenne Drover	<i>Hon. Secretary</i>	
Richard Hilton	<i>Hon. Treasurer</i>	
David Allardice	<i>AIE Board member</i>	
Glen Currie	<i>AIE Board member</i>	
Clare Anderson		Jeff Balchin
Joe Delaney		Roger Kilby
Mark Kealy – YEP Representative		Brendan Millane
Matthew Sullivan – YEP Representative		

AIE Melbourne Branch's activities and events in 2010–11 reflect the breadth and depth of talent on committee. The program (listed below) is a combination of tradition, innovation and collaboration.

The innovative elements – speed networking, and the All–Energy involvement – are the inspiration of our Young Energy Professionals (YEPs). Both were very successful and will feature in the 2011–12 program. The speed networking combined mentoring and recruiting elements. We wish to acknowledge the generous sponsorship provided by Hays Energy and HRL Technology.

The Melbourne YEPs organised a full two day stream for the All–Energy Conference in October 2010, with sponsorship from Department of Business & Innovation, Suzlon and HRL. The Melbourne Branch Postgraduate Student Energy Awards were also held in conjunction with the All–Energy Exhibition. This provided much broader exposure of the students' work (and AIE) to the public, with more than 3000 delegates visiting the exhibition in 2010. The student awards were generously sponsor by HRL, Department of Primary Industries, Worley Parsons, Melbourne University Energy Research Institute and Garrad Hassan.



The AIE booth at the All-Energy 2010 in October 2010 with student posters in the background.

Our committee is fortunate to include a number of corporate representatives (Ernst & Young, IBM, PWC) providing support in-kind (venues, catering, etc) as well as closer contact with industry professionals.

We also have links into academia (University of Melbourne) and government (through the Department of Business and Innovation and Affairs of State), making possible events such as the Minister's presentation in July. This was a 'sell-out' lunch limited by the venue at almost 100 registrants.

Melbourne Branch 2010-11 Program:

Date	Topic	Presenter(s)
28 Jul 2010	Victoria's Energy Future	Richard Aldous, Dept of Primary Industries
25 August 2010	Australian LNG Outlook: Opportunities and challenges	Dr Graeme Bethune, CEO, Energy Quest
6–7 October 2010	All-Energy 2010 Conference with YEP conference stream	2 day stream with 18 speakers organised by AIE YEPs
6–7 October 2010	Post-Graduate Student Energy Awards	25 student posters on display at All-Energy 2010 Exhibition
24 November 2010	AGM Meeting: What's hot in Victoria – energy policy, smart meters, large solar, and more	A Panow, Energy Investment Victoria; & D Moyse, Alternative Technology Association
4 February 2011	Plant Visit: Newport Gas Power Station	
10 March 2011	YEPS Event – Speed Networking	Experienced AIE professionals, recruiters & YEPS
30 March 2011	Seminar: Biofuels: Future Energy Source?	Dr Victoria Haritos, CSIRO Ecosystem Sciences; Mat Nelson, Ernst & Young; & Richard Marshall, GM Holden
24 May 2011	Seminar: Smart Meters	Huw Wilkinson, Silver Spring Networks; John Nacheff, Cisco Systems; & Mark Kealy, Dept of Business and Innovation

Each year, Melbourne Branch contributes to the Victorian Secondary School Teachers Association Science Talent Search; \$500 in 2010.

We wish to thank association managers PAMS for another year of great service. This year we say farewell to Candice, who is going on maternity leave. We thank Candice for her professionalism and patience, and wish her and her family all the best. We also welcome her replacement, Chris, and look forward to working with her in 2011–12.

Newcastle Branch

Newcastle Branch Committee:

Jim Kelty	<i>Chair</i>
Behdad Moghtaderi	<i>Hon. Secretary</i>
Ross Dawson	<i>Hon. Treasurer</i>
Ian Guy	<i>Assistant Hon. Secretary</i>
James Giblin	<i>YEP Representative & AIE Board member</i>
Murray Halyburton	Peter Halyburton
Sarah Miller	Colin Paulson
Viv Paulson	Geoff Rigby

The primary focus of the Newcastle Branch of the AIE throughout 2010-11 was to support its members by offering them the opportunity to attend a number of seminars/workshops (approximately 18) organised by the AIE and other local organizations including:

- The Priority Research Centre for Energy (The University of Newcastle)
- CSIRO Energy Division
- Environmental Engineering and Sustainability Society
- Engineers Aust, Newcastle - Chemical Engineering Group
- Engineers Aust, Newcastle - Electrical Engineering Group
- Hunter Environment Institute
- Energy Efficiency Opportunity Hunter Group Community of Practice
- ASME - Australia

The seminars/workshops covered a diverse range of topics in a number of key subject areas such as:

- Application of Super-critical Carbon Dioxide for Engineers
- Geothermal Systems
- Acid mine drainage and its rehabilitation with bentonite clay
- Newcastle Lighting Society Technical Meeting
- Particle size control of coal feedstock
- Chemical trapping of nitric oxide
- Development of Organic Modified Zeolites for Carbon Dioxide Capture from Point Sources
- Natural analogues to mineral sequestration of CO₂
- Peak Oil, its Risks and Mitigation
- A Critical Investigation of Heat Transfer Enhancement in Nanofluids
- Weak acid processing of silicate minerals for CO₂ sequestration in New South Wales
- Protecting the Ozone Layer: the success of the Montreal Protocol
- Introducing the NSW Energy Savings Scheme
- Induced precipitation of magnesium carbonates through decarbonation of inorganic carbon enriched solutions by physicochemical and biological mechanisms
- High Fidelity Simulation of Future Low Emission Stationary Electricity Generation Scenarios
- Exploring the Future Energy Role of the Hunter Region

The 2010 Annual General Meeting was held on 3 December 2010 at the Priority Research Centre for Energy at the University of Newcastle. Behdad Moghtaderi, Sean McCracken and other PRCE staff conducted a tour of the facility including the innovative commercial scale Granex organic Rankin Cycle power generation plant.

Perth Branch

Perth Branch Committee:

Murray Meaton	Chair & AIE Board member
Les Farrant	Vice Chair
Kylie Wilkie	Hon. Secretary
Ken Lee	Hon. Treasurer
Brian Truman	AIE Board member
Julian Fairhall	Office of Energy Representative
Eli Bernstein	Garry Jeffery
Mark McKinnon	Rob Swan
Simon Thackray	Ray Wills
Louis Kent	YEP Representative

Luncheon seminars

The Branch was involved in 4 very well attended luncheon seminars during 2010/11. Most events were luncheon seminars held at the Parmelia Hilton, Perth, preceded by networking drinks. The average number of attendees at these events was 116 people.

Energy in Western Australia Conference

The annual Energy in Western Australia Conference, run in conjunction with the Office of Energy, was very successful and attracted many local, interstate and international delegates and speakers. The two day program attracted 25 speakers who were very well received by the 205 delegates in attendance.

Perth Branch 2010-11 Program:

Date	Topic	Presenter(s)
8 December 2010	Nuclear Energy	Jim Limerick
15 March 2011	Oil Prices – where to from here?	Dr Paul Stevens
19 April 2011	The Strategic Energy Initiative – Energy 2010	Lyndon Rowe
17 May 2011	Competition in the Wholesale Energy Market	Alan Dawson
21 and 22 September 2011	Energising WA Conference	Various local, national and international speakers

Membership

The Perth branch had 263 members on 30 June 2011, maintaining its solid membership base. This is an increase of 7% from 30 June 2010.

Converting strong attendance at meetings into membership remains a challenge with most functions having twice as many non-members in attendance as members.

Education

Education of youth remains a strong focus. The Perth Branch's main activity in this area is its sponsorship of the Petroleum Club's Schools Information Program. This program has particular relevance in Western Australia.



Energy in Western Australia Conference 2010

Major industry players are involved in the program, and it attracts knowledgeable speakers who actively engage senior school students in a creative and interactive program that explores petroleum as an integral part of energy in Western Australia.

Perth – Young Energy Professionals (YEPs)

The Young Energy Professionals (YEP) group was launched in Perth in late June 2010. Louis Kent led the YEP committee as inaugural Chair from June 2010 until June 2011, when Luke O'Callaghan was elected to the role for the 2011-12 year.

Perth YEP Group Committee:

Louis Kent	<i>Chair</i>	
Luke O'Callaghan	<i>Vice Chair</i>	
Matt lee	<i>Vice Chair</i>	
Yvonne Jansen	<i>Secretary</i>	
Kyle Jackson	<i>Treasurer</i>	
Antony Beard		Sarah Clarke
Kate Donaldson		Wilfrid Johnston
Tarmianne Marshall		Jolene Tan
Chacko Thomas		Richard Wilson

Support

Over the course of the 2010-11, the YEPs were able to secure the support of the Minister for Energy, the Hon. Peter Collier MP, who agreed to be their Patron and were also lucky enough to attract the support of a number of sponsors who have enabled the YEPs to provide a number of low cost or free events, growing their target market.

To date around 300 people have signed up for the YEP Perth mailing list (through the AIE website) and over 200 have joined our LinkedIn group, made up of AIE members and non-AIE members alike.

Functions

Throughout the 2010-11, the YEPs put on a number of well attended events including, a flagship event, "the future of energy in WA", which attracted about 130 attendees, a site visit to the Western Power network control centre, "Talkin' bout your generation" a Q&A event on generation technology and the role of innovation, economics and policy and a number of successful technical events dealing with subjects as diverse as the future for hydrogen fuel cells, geothermal energy, electricity market rules and the Clean Energy Future announcement.

YEP Perth thank the AIE for their ongoing support and our enthusiastic and growing committee is looking forward to an even more active and successful year ahead.

Perth YEP Events 2010-2011

Date	Topic	Presenter(s)
30 June 2010	YEP Perth Launch	Murray Meaton
29 September 2010	The future of energy in WA.	Peter Collier, Doug Aberle, David Parker
8 December 2010	Christmas drinks.	
3 February 2011	Western Power Site Visit.	-
30 March 2011	Talkin' about your generation.	Five speakers
26 May 2011	Geothermal & fuel cells	Sean Webb & Jamie Ally
29 June 2011	We're turning 1!	Murray Meaton

South Australia Branch

South Australia Branch Committee:

Tony Owen	<i>Chair</i>	
Graeme Atwell	<i>Hon. Secretary</i>	
Albert Thompson	<i>Hon. Treasurer</i>	
Michael Cochran	<i>AIE Board member</i>	
Graeme Bethune		Rebecca Knights
Craig Langford (until January 2011)		Shameni Nitchingham
Jordan Parham		Bruce Parker
Mary Seely		Patrick Walsh

General Activities

Through 2010-11 the SA Branch of the AIE continued to provide a wide- ranging and active program of events and sponsorships supporting AIE's role as a key interest group in South Australia, focussing on developments across all sectors of the rapidly changing energy industry.

National Conference



Candid Camera at the 2010 National Conference

A major activity and focus for the SA Branch during 2010/2011 was the planning and implementation of the National Conference, "Australia's Energy- Next Generation", from 14 to 16 November 2011. The Conference attracted over 120 registrations, including several international key note speakers, many interstate speakers and attendees, and attracted strong sponsorship support. The National Postgraduate Student Energy Awards were also conducted during the Conference.

The Conference was widely acknowledged as a success, largely due to the efforts of the Organising Committee comprising Mike Cochran (Chairman), Dr Graeme Bethune, Professor Tony Owen, Albert Thompson, Mary Seely and Dr Pat Walsh, the Conference Organisers (All Occasions Management), AIE National Board support and generous sponsorship.

Major sponsors included Santos, Caltex, Investra, Finlaysons, Origin, QER and SEAGAS.

Education

The South Australian Branch continued its past support in promoting education and awareness of the energy industry in South Australia with the following key activities and sponsorships:

- A grant of \$2,310 to the South Australian Science Teachers Association as partial sponsorship in the annual Oliphant Science Awards;
- A Technology Study Award of \$220 to the Hamilton Secondary College; and
- A prize of \$500 for the best research poster on an energy theme for a final year undergraduate chemical engineering student at the University of Adelaide.

The Committee continues to evaluate ways in which the Branch can continually support increased awareness, knowledge and interest in energy issues in the community, particularly within the education system.

South Australia – Young Energy Professionals (YEPs)

A major initiative during 2010-11 was the commencement of a Young Energy Professionals (YEPs) Group under the auspices of the AIE SA Branch.

The principal objective of this group is to facilitate the broadening of knowledge and understanding of the energy industry for young AIE members beyond their particular specific expertise or speciality.

The activities of the Group commenced in February 2010, and events have continued through 2011. The YEP Committee is assessing ways in which to increase the reach and effectiveness of its program.

South Australia Branch 2010-11 Program:

Date	Topic	Presenter(s)
Jul 2010	Energy Plays- what's new in the energy mix?	Barry Goldstein, Director, Petroleum and Geothermal, PIRSA
August 2010	Australian LNG in the Global Market	Dr Graeme Bethune, CEO, Energy Quest
September 2010	Old Tricks applied a New Way – Developing Unconventional Resources	Mark Pitkin, Beach Energy
October 2010	Short Term Trading Market in Natural Gas	Tanya Denning, Blake Dawson
November 2010	AIE National Conference	
December 2010	Rule Making in Liberalised Energy Markets	John Pearce, Chairman, AEMC
February 2011	Development of Sustainable Biofuels for Aviation	Bill Lyons, GM Research and Technology, Boeing
March 2011	The Shale Gas Revolution – Hype or Reality?	Professor Paul Stevens, Chatham House (UK)
April 2011	How vulnerable is Australia's Fuel Supply?	Mike Cochran, Ecco Consulting
May 2011	Advanced Nuclear Power Systems for Long Term Energy and climate Security	Professor Barry Brook
June 2011	Underground Coal Gasification- stranded coal to clean energy	David Smith, Executive GM, Linc Energy

Sydney Branch

Sydney Branch Committee:

John Blik	<i>Chair</i>	
Denis Cooke	<i>Vice-Chair</i>	
Manuela Crank	<i>Hon. Secretary</i>	
Graham Lowry	<i>Hon. Treasurer</i>	
Paul McGregor	<i>AIE Board member</i>	
Tony Vassallo	<i>AIE Board member</i>	
Craig Blundell	<i>Journal Correspondent</i>	
Craig Chambers (part year)		David Hawley
Deborah Marsh (part year)		Bill Nixey (part year - co-opted)
Chris Sorrell		Russell Wade (from 15 February 2011)
David Lukas (to 15 February 2011)		<i>YEP Representative</i>
Barnaby Smeaton (from 15 February 2011)		<i>YEP Representative</i>

During 2010-11, the Sydney Branch held a total of 11 technical meetings and symposia, including four co-hosted events and one Young Energy Professionals (YEP) event.

Two half-day symposia were held during the year. On the 18th October 2010, *NSW's Gas Future 2020: Big Changes Ahead?* featured eight speakers and was attended by 56 members and non-members. *Energy from Waste - Developing an EfW industry in NSW*, held on the 20th June 2011, took a detailed look from an energy generation perspective at the prospects for energy from waste in Australia, with eight speakers presenting to 68 attendees.

Sydney Branch Events held in 2010/2011 are summarised in the table below:

Sydney Branch 2010-11 Program:

Date	Topic	Presenter(s)
21 July 2010	Photovoltaic Market Development - An Insider's View	David Jordan, UNSW Dr Leigh Stephenson, Australian Centre for Microscopy & Microanalysis, USyd
31 August 2010	Energy Options for Developed Countries: Making Choices	Dr Adi Paterson, CEO, ANSTO
12 October 2010	NSW/ACT Postgraduate Student Energy Awards	Greg Everett – Delta Electricity
18 October 2010	½ Day Symposium: NSW's Gas Future 2020: Big Changes Ahead?	Mark Duffy, Department of Industry & Investment NSW Sandra McCullagh, Credit Suisse: Graham Dowers, TRUenergy Graeme Dennis, Clayton Utz Kevin Lester, AJ Lucas Group Limited; Phil Randall, EnergyAdvice Anthony Szatow, CSIRO
1 November 2010	AGM & Technical Presentation Energy Efficiency in the UK	Graeme Cuthbert, UK Dept Energy & Climate Change.
1 December 2010	Carbon Reduction Schemes: What Do They Mean For Us?	Matt Harris, Frontier Economics Brian Spalding, Australian Energy Market Commission
24 February 2011	Meeting of the Four Societies: Geothermal Energy - Current State of Play and Developments	Dr Stuart McDonnell, Geodynamics Mr Stephen de Belle, Granite Power
10 March 2011	Advanced Nuclear Power Systems for Long-term Energy and Climate Security. <i>Co-hosted by EA, ATSE, ANA, NEP and AYGN.</i>	Prof Barry W Brook, University of Adelaide
4 April 2011	Bottling Electricity - The Need for Energy Storage	Prof Tony Vassallo, USyd Dr Geoff James, CSIRO
16 May 2011	Greenhouse Policy, Investment Certainty & Electricity Prices	Rod Sims, Chairman IPART
20 June 2011	½ Day Symposium: Energy from Waste - Developing an EfW industry in NSW	Andrew Lewis, NSW Dept Trade & Investment David Tanner, Boiler & Power Plant Services Pty Ltd Dr Marc Stammbach, SITA Environmental Services Frank Klostermann, Thiess Services Pty Ltd Paul Howarth, Ausgrid Mark Glover, Eco Waste

The Branch hosted the biannual NSW/ACT Postgraduate Student Energy Awards, with prizes awarded to students competing across a number of categories. The event was generously sponsored by Schneider-Electric and the CSIRO Energy Transformed Flagship, and hosted by Blake Dawson.

Sydney Branch and its YEPS wish to acknowledge the generous sponsorship provided by CSIRO Energy Transformed Flagship, AJ Lucas Group, Schneider-Electric and Thies Services.

We would also like to thank the University of Sydney Union, Engineers Australia, Blake Dawson, NSW Industry & Investment, Griffith Hack and Parsons Brinckerhoff, EnergyAustralia (now Ausgrid) and Engineers Australia for the use of their facilities for our technical presentations and other functions. The support and collaboration of these organisations has been crucial to us being able to host high quality events throughout the year.

On behalf of the Sydney Branch Committee, a sincere vote of thanks to all the speakers for their time and effort in making presentations to our members, enabling the Committee to deliver yet another interesting program of events with the depth, breadth and objectivity expected of the Institute.

An additional expression of thanks is due to Parsons Brinckerhoff (PB) and NSW I&I Minerals & Energy Division for making their meeting rooms available to the Sydney Branch Committee on a regular basis during the year for our committee meetings, and also to Cadden Crowe and Environ for stepping in at short notice when requested.

The office holders in the Committee as at the 30th June 2011 were unchanged from the previous year, with John Blik continuing as Chair, Denis Cooke as Vice-Chair, Graham Lowry as Honorary Treasurer and Manuel Crank as Honorary Secretary.

Craig Blundell and Russell Wade joined the Sydney Branch as new Committee members for 2011, with Craig taking on the role of Journal Correspondent. Bill Nixey was co-opted to the committee towards the middle of 2011 to fill the vacancy left by Debborah Marsh, who resigned in early 2011 to take maternity leave. Debborah has made a significant contribution to the AIE over the past few years, in particular by setting up the first Young Energy Professionals (YEP) Working Group within the AIE (YEP groups are now established at most of the branches), serving as Vice-Chair on the Sydney Branch and playing a pivotal role in organising a number of events held by the branch over this time. We hope that Debborah will be back on the Committee in the near future. Ian Plumb was also co-opted to the committee during the year to fill the vacancy left by Craig Chambers. Craig resigned from the committee during the year due to work and family commitments. As well as serving as Chair of the Sydney Branch in 2009, Craig has contributed new ideas, insights and great industry contacts to the Committee over the past few years, and continues to support the Branch by hosting events with the generosity of PB.

The Sydney YEP Group was less active than in previous years, with just one event hosted during the year. The Committee would like to thank Barney Smeaton for organising this event, as well as David Lukas for past YEP events. The most ambitious Young Energy Professionals are also invariably the busiest, and keeping a critical mass of YEPs involved to organise events has proved challenging. We look forward in the year ahead to engaging with new YEPs and encouraging innovation from the Institute's younger members in how events are planned, staged and communicated.

In addition to the program of AIE events, a sub-committee has been formed to organise the next AIE National Conference in November 2012 in Sydney. The sub-committee began the planning process early in calendar 2011. The bi-annual AIE National Conference is a significant event. Apart from the analysis, insight and networking opportunities it will provide, it also enhances AIE's reputation as Australia's pre-eminent association for professionals and participants in the energy and related industries. Ideas and contributions from members for the conference are welcomed, and sponsorship opportunities are also available. Feel free to contact a member of the committee for further information.

And finally, the committee acknowledges the continued dedication and hard work of our Branch Secretariat, Gwen Cant throughout the year.

Tasmanian Branch

Tasmanian Branch Committee:

Patrick Burke	<i>Chair & Hon. Treasurer</i>
Dr Jane Sargison	<i>Vice Chair & AIE Board Member</i>
Tim Tritton	<i>Hon. Secretary</i>
Patrick Burke	<i>Hon. Treasurer</i>
Dr John Cannell	Kim Lee Chang

The Tasmanian Branch Committee is a small group dedicated to providing Tasmanians with understanding and awareness of energy issues locally, nationally and globally. This year the Committee has welcomed a number of new members.

The Branch focuses its efforts on holding quality events with significance to those in the wider energy industry and those with an interest in the industry itself.

This year the AIE Tasmania Branch successfully organised a series of presentations investigating the very topical issues associated with Retail Contestability in Tasmania.



Chris Lock and Jane Hyland answering questions at the April 2011 event

The Branch also undertook several student focused activities at the University of Tasmania.

Six meetings were organised during the year which were well attended and received. Over the year the branch has increased its financial activities through event takings with the aim of providing good quality events at a reasonable and sustainable price for the Branch and its members.

Tasmanian Branch 2010-11 Program:

Date	Topic	Presenters
September 2010	Rural Village Electrification in Nepal using pico-turbine hydroelectric technology	Prof John Cannell
October 2010	Postgraduate Student Energy Awards 2010	Winner Kim Lee Chang
November 2010	University of Tasmania, School of Engineering, Best Final Year Energy Related Honours Project	
March 2011	Inter-state and international lessons on Full Retail Electricity Contestability	Cameron O'Reilly
April 2011	Contestability in the Tasmanian Retail Market – A Regulator Perspective	Chris Lock & Jane Hyland
June 2011	What does Retail Contestability mean for you – the customer	Marc White

OIL & GAS SPECIAL INTEREST GROUP (SIG)

The Oil & Gas SIG continues to provide an up to date service for AIE members interested in this topic, through the efforts of its Convenor, Eriks Velins. The service is largely delivered via the website with two components, Oil & Gas Links and Interesting & Useful Articles.

The Links cover Regulation of the Oil & Gas Industry, Australian and Overseas Associations, Australian and Overseas News and Articles, Australian and International Statistics and Technical-Economic data. They have been selected to provide the user with a free, independent and reliable overview of the industry.

The Articles have been selected to provide insight into particular issues faced by the industry in order to stimulate an informed discussion. The Convenor welcomes feedback and contributions.

YOUNG ENERGY PROFESSIONALS (YEPs)

This encouraging movement within the AIE membership continues to gain momentum in the Institute.

The foundation group in Sydney has now been joined by similar groups in Adelaide, Melbourne, Newcastle and Perth. A YEP group is also being considered for Brisbane.

A separate page, on the AIE website, has been created for the YEPS. This provides links to the established groups. The adjacent logo has also been created for the YEPS and features on banners for display at meetings.



The groups have conducted a range of meetings as described in the respective host Branch programs above.

The existing YEP groups are available to provide advice to new start up YEP groups.

Interestingly YEP members have now joined the AIE Board and several Branch committees and this augurs well for the future of the Institute. In addition, the influx of YEPs to the AIE has significantly changed the age profile of the organisation for the better.

THE AIE YOUTH STUDY SCHOLARSHIP

The AIE Youth Study Scholarship for 2010-11 was won by Mark Kealy, who is a member of the AIE Melbourne Branch. Mark works for Victorian Dept of Industry Innovation and Regional Development.



Tony Vassallo congratulating Mark Kealy

The report on his attendance at 2 conferences on smart meters in the USA and several visits to establishments active in this field was published in the April 2011 issue of AIE Energy News. Mark also presented his findings to a seminar on Smart Meters organised by the Melbourne Branch in May 2011.

The \$25,000 fund initially provided for the scholarship by Energy Council of Australia (now Energy Alliance of Australia), following the 2004 World Energy Conference in Sydney, has now been exhausted. However, the AIE is able to continue the youth Study scholarship program after building up a significant Scholarship Reserve from its operations and contributions by Branches. The bank interest on this reserve is now sufficient to support the AIE Scholarship.

The AIE Youth Study Scholarship is awarded annually to support the career development via travel and study of a Young Energy Professional member of AIE.

NATIONAL POSTGRADUATE STUDENT ENERGY AWARDS

This biennial national event was held in November 2010, in conjunction with the National Conference in Adelaide mentioned earlier.

Posters on postgraduate energy projects from students from seven universities around the country were assessed and three prizes from \$1,200 to \$700 were awarded thanks to the sponsorship of HRL Technology.

All the student contestants were sponsored to attend and benefit from the conference experience and their travel and accommodation expenses covered by the AIE.



Student Award Winners for 2010 from left A Song, B. Shabani, Sam Clayton of HRL (sponsor) and R Balucan

COMMUNICATIONS

The AIE Energy News Journal

The official publication of the Australian Institute of Energy, *Energy News*, continues to be an important service to members, both for its interesting content and its role in communication between the members, the Board and Branches.

Four full colour issues were published in 2010-2011 and the quality of presentation and content continues to improve. The Board congratulates our editor, Joy Claridge on her excellent work in steadily raising the standard and profile of the Journal, which is one of the key services provided to AIE members.

Thanks to Joy's efforts, the revenue from advertising, mainly from Corporate Members, continues to increase and is now making a significant contribution to publication costs. The Corporate Member Directory in the journal has proved very popular because it gives companies an excellent profile for a modest cost. The first small single listing is free, however a number of company members have opted for a sequence of four larger listings for a modest charge. This section has become a regular feature of the journal and we encourage members to support our advertisers.

The editor is always delighted to receive suggestions, articles and letters and looks forward to hearing from you in 2011-12 at editor@aie.org.au.

Monthly Email News

The Board uses the facilities provided by PAMS to distribute an regular monthly email to members who have provided email addresses, and to an extended contact list of interested parties.

The objective is to promote attendance at AIE Meetings and to advise of energy related meetings scheduled by others, particularly not-for-profit organisations. The message also provides information on other energy matters such as government requests for submissions or applications for grants as well as notices on AIE administration matters such as the call for Board nominations or the availability of the Annual Report on-line.

The email, in an attractive new format, has links to meeting flyers, registration forms and on-line registration services for Branches using these facilities. Some branches follow this up with Branch emails direct to their Branch members and contacts to reinforce the message.

PAMS distributes the email on the second Tuesday of each month and a reminder is sent to Branches a week before to provide content and links to register for meetings which Branches wish to promote. Branches are encouraged to make full use of this promotional service provided at Board expense.

If you have an email address but have not provided it, please contact PAMS (aie@aie.org.au) to add it to your database record, or edit your record in the database on-line. You never know what you might be missing out on. We do not make our mailing list (email or snail mail) available to third parties so you are not going to be flooded with spam.

On-line News

The daily energy news clipping service continues to be one of the draw cards for visits to the AIE web site. The service provides a screened list of links to local energy news stories. Many members use it as their home page when they open their internet browser each day.

AIE Web page

The redeveloped AIE webpage at www.aie.org.au is now in operation and incorporates a website content management system to enable Branches and other users to manage their own web page, and provides a range of new on-line services.

On-line Registrations and Payments.

One of the new services incorporated on the website is an on-line service for subscription payments and bookings and payment for most AIE events around the country (except those in Perth). To access the booking service, just logon with your email address and password, click on the event you wish to attend and follow the instructions. If you cannot remember your password to logon, click the 'Forgot your password?' link and you will be sent one. The system works well but if you have a problem please call PAMS on the **free call number 1800 629 945** and PAMS helpful staff will be happy to assist you. If you have your credit card handy, PAMS can take your booking on the free call number for non standard requests or if you continue to have difficulty.

Non members booking for AIE meetings are also allocated a password to log in and to use for future bookings. Their email is added to the AIE database to receive the monthly email news letter advising them of future meetings and they may receive notices from their nearest AIE Branch.

AUDITED ACCOUNTS FOR 2010-11

The following pages comprise the audited accounts of the AIE for the 2010-11 Financial Year. This includes the consolidated accounts of the Institute as a whole including the Board and the eight Branches, and the separate accounts of the Board.

The AIE had a successful year financially in 2010-11, with a consolidated operating surplus of \$35,603 of which \$10,719 was contributed by the Board after receiving \$35,005 in surpluses from Conferences organised by the Perth and South Australian Branches.

The 2010-11 accounts show the Institute is in a sound financial state with strong reserves held by the Board and many of the Branches. The Board Reserves, excluding the Scholarship Fund, are approaching two years' subscription income.

The underlying profitability of the Institute demonstrates the soundness of our financial model and our ability to cover the costs of a commercial secretariat with only CPI increases on our relatively low member subscriptions.

The audit was performed by John Watty of ProAcct Accountants, Melbourne.

If you have any questions on the accounts please contact the Treasurer at treas@aie.org.au.

AUSTRALIAN INSTITUTE OF ENERGY

A Company Limited by Guarantee

DIRECTORS' REPORT

Your Directors submit herewith their report of the Australian Institute of Energy for the financial year ended 30 June 2011.

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

Tony Vassallo	Murray Meaton	Paul McGregor
Glen Currie	David Allardice	Brian Truman
Michael Cochran	Patrick Burke	Paul Riordan
Andrew Dicks	James Giblin	Anntonette Joseph
Jane Sargison		

All Directors are members of the Australian Institute of Energy and hold qualifications in energy related disciplines.

The principal activities of the Institute in the course of the year were to advance the scientific, technological and social studies and professional practice of energy disciplines and to enhance their contribution to the public welfare by encouraging the development of all branches of energy disciplines. There was no significant change in the nature of the principal activities or state of affairs of the Institute nor are there any likely future developments which require comment herein.

The consolidated surplus of the Institute for the year was \$35,603 (2010: \$28,034).

No matters or circumstances have arisen since the end of the financial year that significantly affected or may significantly affect the operations of the Institute, the results of those operations or the state of affairs in future financial years except as noted herein.

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

The following table sets out the number of Board meetings held during the year ended 30 June 2011 and the number of meetings attended by each Director.

Director	Board Meetings	
	Attended	Eligible
Dr Tony Vassallo	4	4
Mr Murray Meaton	4	4
Mr Paul McGregor (Hon Secretary)	4	4
Mr Glen Currie (Hon Treasurer)	2	4
Dr David Allardice	4	4
Mr Patrick Burke (until 22/03/2011)	2	2
Mr Michael Cochran	3	4
Dr Andrew Dicks	2	4
Mr James Giblin	2	4
Mr Paul Riordan	4	4
Mr Brian Truman	4	4
Ms Anntonette Joseph (from 17/07/2010)	4	4
Dr Jane Sargison (from 22/03/2011)	2	2

Since the Institute is a non-profit organisation the Directors recommend that no dividend be paid. No amounts have been declared or paid by way of dividends since the end of the previous financial year.

No indemnities have been given or insurance premiums paid, during or after the end of the financial year, for any person who is or has been an officer or auditor of the Institute.

AUSTRALIAN INSTITUTE OF ENERGY

A Company Limited by Guarantee

DIRECTORS' REPORT (Continued)

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 those proceedings.

The company was not a party to any such proceedings during the year.

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out below.

This report is made in accordance with a resolution of the Directors and is signed for and on behalf of the Directors by:

Glen Currie - Honorary Treasurer



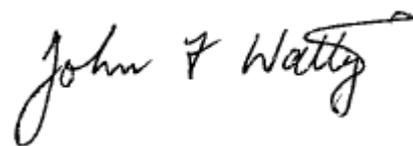
Dated: 14 October 2011

Melbourne

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF AUSTRALIAN INSTITUTE OF ENERGY**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2011, 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.



John Francis Watty
Registered Company Auditor
255 Whitehorse Rd,
Balwyn Vic 3103

Dated: 14 October 2011

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2011**

	NOTE	2011 \$	2010 \$
<u>REVENUE FROM ORDINARY ACTIVITIES</u>			
Operating activities			
Proceeds from meetings, functions and conferences		172,364	150,940
Sponsorship, donations and other revenue		40,873	16,443
Subscriptions from members		132,014	132,602
Journal sales and advertising		4,329	3,300
Share of Profit from other conferences		30,011	73,843
		379,591	377,128
Non-operating activities			
Interest received		26,262	23,247
		26,262	23,247
TOTAL REVENUE FROM ORDINARY ACTIVITIES		405,853	400,375
<u>EXPENDITURE FROM ORDINARY ACTIVITIES</u>			
AIE promotion and development		5,658	2,855
Audit and accountancy fees	14	10,614	8,482
Bank charges		3,722	3,676
Bad debt		-	483
Cost of sales		141	-
Conference expenses		3,300	-
General expenses		8,016	2,730
Insurance		3,859	4,008
Internet expenses		4,853	7,695
Journal publication costs		55,512	51,295
Meetings and functions		122,116	132,277
Obsolete stock written off		-	1,755
Office equipment purchases		-	220
Postage and telephone		5,157	8,010
Printing and stationery		3,609	1,580
Scholarships, prizes and awards		27,174	12,065
Sponsorship		6,909	4,545
Subscriptions		-	454
Travel and board meeting expenses		15,357	10,753
Administration services		94,253	91,886
TOTAL EXPENDITURE FROM ORDINARY ACTIVITIES		370,250	344,769
OPERATING SURPLUS FOR THE YEAR		35,603	55,606
Less: Contribution to Australian Association of Hydrogen Energy		-	27,572
INCREASE IN RETAINED EARNINGS FOR YEAR		35,603	28,034

The accompanying notes form part of these accounts and are to be read in conjunction therewith.

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2011

<u>CURRENT ASSETS</u>	NOTE	2011	2010
		\$	\$
Cash and cash equivalents	2	747,137	648,253
Trade and other receivables	3	7,622	64,299
Inventories	4	705	846
Other current assets	5	921	11,258
TOTAL CURRENT ASSETS		756,385	724,656
<u>NON-CURRENT ASSETS</u>			
Property, plant and equipment		-	-
TOTAL NON-CURRENT ASSETS		-	-
TOTAL ASSETS		756,385	724,656
<u>CURRENT LIABILITIES</u>			
Trade and other payables	6	30,954	36,529
Subscriptions received in advance	7	76,638	74,937
TOTAL CURRENT LIABILITIES		107,592	111,466
TOTAL LIABILITIES		107,592	111,466
NET ASSETS		648,793	613,190
<u>EQUITY</u>			
Retained Earnings		648,793	613,190
TOTAL EQUITY		648,793	613,190

The accompanying notes form part of these accounts and are to be read in conjunction therewith.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2011**

Retained Earnings	2011	2010
	\$	\$
Opening Balance	613,190	585,156
Surplus for the year	35,603	28,034
Balance at 30 June	648,793	613,190

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011**

		2011	2010
		\$	\$
Cash flows from Operating Activities			
Receipts from operating activities		437,969	321,000
Interest received		26,262	23,247
Payments for operating activities		(365,347)	(381,024)
Net cash flow provided by operating activities	11a	98,884	(36,777)
Cash flows from investing activities			
		-	-
Cash flows from financing activities			
IAHE/AAHE funds held in trust		-	(60,112)
Net increase in cash held		98,884	(96,889)
Cash at the beginning of the financial year		648,253	745,142
Cash at the end of the financial year	11b	747,137	648,253

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2011**

NOTE 1 - SIGNIFICANT ACCOUNTING METHODS

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

The Institute is a non-profit organisation and received the major part of its income from subscriptions, conferences and lectures.

The financial report complies with Australian Accounting Standards which include Australian equivalents to International Financial Reporting Standards ("AIFRS").

The financial report is in respect of the Australian Institute of Energy as an individual entity and complies with all AIFRS in their entirety.

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

Basis of Preparation*Reporting Basis and Conventions*

The financial report has been prepared on an accruals basis except for certain small branches which amounts have been recorded on the cash 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.

Accounting Policiesa) Accounting for Regional Branches and Division

All activities of the Branches and the Hydrogen Division, as presented in the audited financial statements to the Board, have been included in the Income Statement and the known assets of each Branch as at 30 June 2011 have been included in the Balance Sheet.

b) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on the basis of weighted average costs.

c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses. Fixed assets are depreciated by the straight-line method over a four year period.

d) 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.

e) Revenue

Revenue from membership subscriptions is recognised in the period to which it relates. Grant revenue is recognised in the income statement when it is controlled. When there are conditions attached to grant revenue relating to the use of these grants for specific purposes it is recognised in the balance sheet as a liability until such conditions are met or services provided. All revenue is stated net of the amounts of goods and services tax (GST).

f) Contributions

The Institute receives non-reciprocal contributions from other parties for a nominal value. These contributions are recognised at the fair value on the date of receipt at which time an asset is recorded in the balance sheet and revenue in the income statement.

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2011**

NOTE 1 - SIGNIFICANT ACCOUNTING METHODS (cont'd)

g) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

h) Critical Accounting Estimates and Judgments

There were no critical accounting estimates and judgments in respect of the amounts in this Report.

i) Financial Instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. The entity does not have complex financial instruments. The financial instruments on the entity's balance sheet are all non-derivative in nature, namely cash and cash equivalents, receivables and payables.

Financial instruments are classified and measured as set out below.

Derecognition

Financial assets are derecognised where the contractual rights to receipt or 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.

Classification and Subsequent Measurement

(i) Receivables

Receivables are non-derivative financial assets that have fixed maturities and fixed determinable payments, and it is the entity's intention to hold these investments to maturity.

(ii) Financial Liabilities

Non-derivative financial liabilities are measured at cost.

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2011**

	2011 \$	2010 \$
NOTE 2 – CASH AND CASH EQUIVALENTS		
Cash and cash equivalents – Scholarship Reserve	133,951	127,293
Cash and cash equivalents – Other	336,078	287,500
Cash and cash equivalents – Term deposits	277,108	233,460
	747,137	648,253
NOTE 3 – TRADE AND OTHER RECEIVABLES		
Other receivables	7,622	64,299
NOTE 4 – INVENTORIES		
Stock of AIE medals	705	846
	705	846
NOTE 5 – OTHER CURRENT ASSETS		
Prepayments	921	11,258
NOTE 6 – TRADE AND OTHER PAYABLES		
Accrued expenses	6,875	5,000
Sundry creditors	19,076	29,733
GST	5,003	1,796
	30,954	36,529
NOTE 7 – UNEARNED INCOME		
Subscriptions received in Advance	76,638	74,937

NOTE 8– SEGMENT INFORMATION

The Australian Institute of Energy is an Australian professional association operating to advance the development of all energy disciplines, by publishing a journal and holding conferences, seminars and meetings on energy related topics. The operating surplus of \$35,603 (2010: \$28,034) was derived entirely from these activities.

NOTE 9 – CLAUSE 8 OF THE CONSTITUTION OF THE AUSTRALIAN INSTITUTE OF ENERGY

“Every member of the Institute undertakes to contribute to the assets of the Institute in the event of the Institute being wound up during the time that they are a member, or within one year after they cease to be a member, for payment of the debts and liabilities of the Institute contracted before they cease to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories amongst themselves, such amount as may be required, not exceeding fifty dollars.”

The Institute had 1,403 members (2010: 1,438).

NOTE 10 – RELATED PARTY INFORMATION

The following persons each held office as Directors of Australian Institute of Energy during the year :

Tony Vassallo	Murray Meaton	Paul McGregor
Glen Currie	David Allardice	Brian Truman
Michael Cochran	Patrick Burke	Paul Riordan
Andrew Dicks	James Giblin	Anntonette Joseph
Jane Sargison		

Directors do not receive any remuneration or other benefits. Consequently there are no key management personnel compensation benefits to disclose.

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2011**

	2011	2010
	\$	\$
NOTE 11 – CASH FLOW INFORMATION		
a. Reconciliation of cash flow from operations with surplus for the year ended 30 June 2009.		
Surplus for the year	35,603	28,034
Depreciation	-	-
(Increase) Decrease in receivables	56,677	(56,128)
(Increase) Decrease in inventories	141	1,755
(Increase) Decrease in prepayments	10,337	(9,737)
Increase (Decrease) in creditors	(5,575)	1,388
Increase (decrease) in unearned income	1,701	(2,089)
Net cash flow from operating activities	98,884	(36,777)
b. Reconciliation of Cash		
Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:		
– Cash and cash equivalents	747,137	648,253

NOTE 12 – FINANCIAL RISK MANAGEMENT

a. Financial Risk Management Policies

The entity's financial instruments consist solely of deposits with banks, accounts receivable and payable. The entity does not have any derivative instruments at 30 June 2011.

i. Treasury Risk Management

The board of directors meets 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.

ii. Financial Risk Exposure and Management

The main risks the entity is exposed to through its financial instruments are interest rate risk and liquidity risk.

Interest rate risk

Interest rate risk is managed with a mixture of fixed and floating rate bank deposits. At 30 June 2011 approximately 37% of bank deposits are on fixed terms.

Foreign currency risk

The entity is not exposed to fluctuations in foreign currencies.

Liquidity risk

The entity manages liquidity risk by monitoring forecast cash flows.

Credit risk

The entity does not have any material credit risk exposure.

Price risk

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

b. Financial Instruments Composition and Maturity Analysis

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

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2011**

NOTE 12 – FINANCIAL RISK MANAGEMENT (Continued)

	Weighted Average Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate Maturing		Non Interest Bearing		Total	
	2011 %	2010 %	2011 \$	2010 \$	2011 \$	2010 \$	2011 \$	2010 \$	2011 \$	2010 \$
Financial Assets										
Cash and cash equivalents	3.76	3.34	470,029	414,793	277,108	233,460	-	-	747,137	648,253
Trade and other receivables	-	-	-	-	-	-	7,622	64,299	7,622	64,299
Total financial assets			470,029	414,793	277,108	233,460	7,622	64,299	754,759	712,552
Financial Liabilities										
Trade and other payables	-	-	-	-	-	-	107,592	111,466	107,592	111,466
Total financial liabilities			-	-	-	-	107,592	111,466	107,592	111,466

Trade and other payables comprise principally of subscriptions received in advance in the amount of \$76,638 (2010: \$74,937) and the following other payables which are expected to be paid as follows:

	2011 \$	2010 \$
Less than 6 months	30,954	36,529
6 months to 1 year	-	-
Total trade and other payables	30,954	36,529

Trade and other receivables are expected to be collected within 30 days.

Sensitivity analysis

Interest rate risk

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

As at 30 June 2011, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant, would be as follows:

Change in profit

- Increase in interest rate by 2%	15,000	13,000
- Decrease in interest rate by 2%	(15,000)	(13,000)

Change in equity

- Increase in interest rate by 2%	15,000	13,000
- Decrease in interest rate by 2%	(15,000)	(13,000)

This sensitivity analysis has been performed on the assumption that all other variables remain unchanged. No sensitivity analysis has been performed for foreign exchange risk, as the entity is not exposed to fluctuations in foreign exchange.

NOTE 13 – COMPANY DETAILS

The registered office of the company is:
The Australian Institute of Energy
First Floor, 613 Canterbury Road
Surrey Hills Vic 3127

The company did not employ any staff on a full time basis during the year.

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2011**

	2011	2010
	\$	\$
NOTE 14 – AUDITORS’ REMUNERATION		
National/Board Audit fees	8,125	6,000
Branch audit Fees	2,489	2,482
	<hr/> 10,614	<hr/> 8,482

NOTE 15 – EVENTS AFTER THE BALANCE SHEET DATE

- a. No significant events have occurred after the balance sheet date.
- b. The financial report was authorised for issue on the date specified in the Directors’ Declaration.

DECLARATION BY THE BOARD

The Directors of the Australian Institute of Energy declare that:

1. The financial statements and notes, as set out on pages 3 to 12, are in accordance with the *Corporations Act 2001*;

- (a) comply with Accounting Standards; and
- (b) give a true and fair view of the financial position of the Institute as at 30 June 2011 and of its performance for the year ended on that date.

2. In the Directors' opinion there are reasonable grounds to believe that the Institute will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Directors and is signed for and on behalf of the Directors by:



Glen Currie
Honorary Treasurer

Dated: 14 October 2011

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF THE AUSTRALIAN INSTITUTE OF ENERGY**

Report on the Financial Report

I have audited the accompanying financial report of the Australian Institute of Energy (the Institute), which comprises the statement of financial position as at 30 June 2011, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Institute comprising the consolidated accounts of the Institute and the Branches and Division it 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 Institute are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I 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 of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

The names of the branches controlled during all or part of, or at the end of the financial year are set out below. We have not acted as auditors for all of these branches. We have, however, received sufficient information concerning those branches to enable us to form an opinion on the consolidated accounts.

Brisbane Branch;
Canberra Branch;
Melbourne Branch;
Newcastle Branch; and

Perth Branch;
South Australia Branch;
Sydney Branch;
Tasmania Branch.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

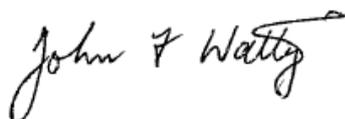
Independence

In conducting my audit, I have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's Opinion

In my opinion the financial report of the Australian Institute of Energy is in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of the Institute's financial position as at 30 June 2011 and of its performance for the year ended on that date; and
- ii. complying with Australian Accounting Standards and the Corporations Regulations 2001.



John Francis Watty
Registered Company Auditor
255 Whitehorse Road, Balwyn

14 October 2011

**AUSTRALIAN INSTITUTE OF ENERGY - BOARD
INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011	2010
		\$	\$
<u>REVENUE FROM ORDINARY ACTIVITIES</u>			
Interest received		17,690	18,192
Profit share from conferences		35,005	-
Subscriptions		132,015	132,270
Journal sales and advertising		4,329	3,300
Contribution received – Balance ECA Scholarship		-	8,013
Sponsorship		7,750	-
Sundry income		-	3,109
		196,789	164,884
<u>EXPENDITURE FROM ORDINARY ACTIVITIES</u>			
AIE promotion and development		5,210	2,854
Audit and accounting fees		8,125	6,000
Bank charges		2,678	2,105
Conference expenses		3,300	-
Cost of sales		141	-
Depreciation		-	-
General expenses		586	925
Grants to branches		5,500	-
Insurance		3,859	4,008
Internet expenses		4,753	6,058
Journal publication costs		55,512	51,295
Obsolete stock written off		-	1,320
Office equipment purchases		-	220
Postage and telephone		3,163	5,552
President's expenses		1,571	-
Printing and stationery		2,559	1,320
Scholarship expenses		4,000	6,000
Scholarships, prizes and awards		6,445	455
Travel and Board Meeting Expenses		15,357	10,753
Administration services		63,311	60,314
		186,070	159,179
SURPLUS FOR YEAR		10,719	5,705

**AUSTRALIAN INSTITUTE OF ENERGY - BOARD
BALANCE SHEET
AS AT 30 JUNE 2011**

<u>CURRENT ASSETS</u>	NOTE	2011	2010
		\$	\$
Cash and cash equivalents – Scholarship Reserve		133,951	127,293
Cash and cash equivalents – Other		353,987	326,853
Trade and other receivables		2,042	2,750
Prepayments		1,300	1,259
Inventories		705	846
TOTAL CURRENT ASSETS		491,985	459,001
<u>NON-CURRENT ASSETS</u>			
Property, plant and equipment		-	-
Less: Accumulated depreciation		-	-
TOTAL NON-CURRENT ASSETS		-	-
TOTAL ASSETS		491,985	459,001
<u>CURRENT LIABILITIES</u>			
Trade and other payables		28,392	25,456
Subscriptions received in advance		76,638	74,937
Branch and division funds		17,866	238
TOTAL CURRENT LIABILITIES		122,896	100,631
<u>NON-CURRENT LIABILITIES</u>			
		-	-
TOTAL LIABILITIES		122,896	100,631
NET ASSETS		369,089	358,370
<u>EQUITY</u>			
Retained Surplus at the beginning of the financial year		358,370	352,665
Net Surplus for the financial year		10,719	5,705
TOTAL EQUITY		369,089	358,370

AUSTRALIAN INSTITUTE OF ENERGY - BOARD

TREASURER'S REPORT

The attached Income Statement and Balance Sheet for the year 1 July 2010 to 30 June 2011 are in accordance with the books and records and present a true and fair view of the state of affairs as at 30 June 2011 and of the results for the year ended on that date for the Board of the Australian Institute of Energy.



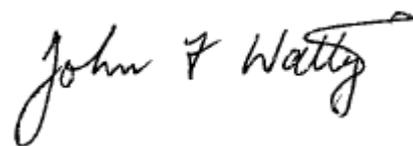
Glen Currie
Honorary Treasurer

Dated: 14 October 2011

Melbourne

**AUSTRALIAN INSTITUTE OF ENERGY - BOARD
AUDITOR'S REPORT**

The attached Income Statement and Balance Sheet for the year 1 July 2010 to 30 June 2011 are in accordance with the books and records and present a true and fair view of the state of affairs as at 30 June 2011 and of the results for the year ended on that date for the Board of the Australian Institute of Energy.



John Francis Watty
Registered Company Auditor
255 Whitehorse Rd
Balwyn Vic 3103

Dated: 14 October 2011