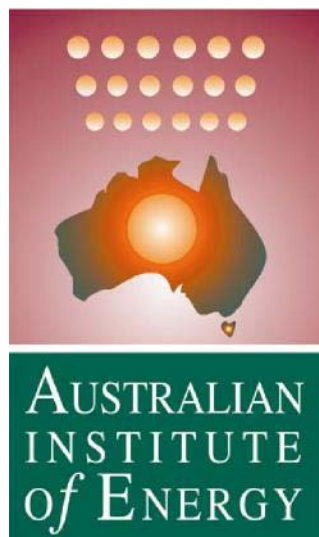


**THE AUSTRALIAN  
INSTITUTE *of* ENERGY**



***2011-12***  
***ANNUAL REPORT***  
***& ACCOUNTS***

ABN 95 001 509 173

# THE AUSTRALIAN INSTITUTE *of* ENERGY

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# THE AUSTRALIAN INSTITUTE *of* ENERGY

## Annual Report 2011-12

### PRESIDENT'S REPORT

It was an honour to have been appointed as the AIE National President in my first term on the Board. I am pleased that there are numerous positive aspects to the year under this Board's control.

As was true in 2011, AIE again hosted more than 60 events across Australia, a tremendous effort by a lot of volunteers from within the branches.

I am keen to mention:

- The continuing growth and success of the Young Energy Professionals movement within the AIE. Founded in Sydney in 2007, the YEPS movement rapidly spread to Melbourne (2008), Newcastle (2009) and South Australia (2010). In my own Branch, I have been particularly impressed to see the enthusiasm and interest generated by the formation of the Perth YEPS group in 2011 and its rapid development, with special thanks to Louis Kent and Luke O'Callaghan who have been the main drivers there. They are now supporting the establishment of a new YEPS group in Brisbane.

Evidence of what is possible for AIE through the YEPS movement is now becoming clear in rejuvenation of our age profile, exciting meeting programs and the number of YEPS joining Branch Committees and the Board.

- The emergence of an enlivened Canberra Branch with an expanded and younger Committee which has held well-attended events recently and increased the Branch's membership by 30%.
- The commissioning of a Member Satisfaction Survey in late 2011, the results of which were reported in the AIE News Journal. This demonstrated that member satisfaction remains high and significant improvements have been made in some areas of weakness identified for work in the previous (2006) survey. However, areas for further improvement were identified and are being addressed, as would be expected.
- The Survey's report led to a Strategic Planning Meeting being conducted at the University of Adelaide in late February. These discussions will form AIE policy over the next years. Thanks to Michael Cochran who acted as our host and Richard Gerner of PAMS our facilitator.
- During the year, Paul McGregor and I represented the AIE in Darwin to do the ground work to establish an AIE branch there. We were very fortunate to be hosted and encouraged by Engineers Australia, the NT Minerals Council, as well as several energy companies. A number of potential members have put their hands up to join AIE in the New Year as foundation members for a new Branch
- The achievement of our own Board Member Jane Sargison who was named by Engineers Australia as the Professional Engineer of the Year.

I would like to thank Joy Claridge for her tireless and professional work as the Editor of Energy News which was rewarded with a very high rating by our members in the survey. We also appreciate the on-going efforts of Chris Carr (and earlier Candice Pribil) and the PAMS staff for their continued support of AIE through the year in so many ways.

I am most grateful to the support and assistance of the current AIE Board and, in particular, for the help provided by past Presidents Tony Vassallo, Murray Meaton and the hard working David Allardice, and our Honorary Secretary, Paul McGregor and Honorary Treasurer, Glen Currie.

Vice President Tony Vassallo is due for our specific thanks for the excellent job he has done in leading the Institute over the past two years. We greatly appreciate his efforts and I look forwards to building on his legacy with your support.

## *Brian Truman*

President

## **SECRETARY'S REPORT**

The Directors who served on the AIE Board in 2011-12 were:

Mr Brian Truman	President (Vice President to 27 Feb 2012)
Dr Tony Vassallo	Vice-President (President to 27 Feb 2012)
Mr Paul McGregor	Hon Secretary
Mr Glen Currie	Hon Treasurer
Dr David Allardice	
Mr Michael Cochran	
Ms Anntonette Dailey (Joseph)	
Dr Andrew Dicks	Brisbane Branch Representative
Mr James Giblin	Newcastle Branch Representative to 29 Nov 2011
Mr Peter Halyburton	Newcastle Branch Representative from 29 Nov 2011
Mr Murray Meaton	
Mr Paul Riordan	
Dr Jane Sargison	Tasmanian Branch Representative

At the February Board Meeting, Brian Truman from our Perth Branch was elected as President, replacing Tony Vassallo who had completed his two year term as President. We would like to express our appreciation to Tony for the hard work and quality leadership he has shown over this period.

As the list indicates, the AIE Board lost through retirement in the 2011-12 year, James Giblin who has made a significant contribution to the Institute. James launched the Newcastle Young Energy Professionals group and joined the Board in 2009, providing valuable input from a YEPS perspective. The Board thanks James for his contribution to the development of the Institute.

In James place, we welcomed Peter Halyburton as a director, to ensure the Newcastle Branch was represented on the Board. Peter is already making a significant contribution to the Institute's management.

During the year the AIE Board decided to award Honorary Life Membership to 10 members, from various AIE Branches, who have provided long and meritorious service to the AIE. These awards will be made during the 2012-13 year.

PAMS (Professional Association Management Services) provide the Institute with secretarial and other services and commenced a second 3 year term contracted to supply these services. Our thanks go to Richard Gerner and his team who enable our voluntary officers to concentrate policy and planning issues for the Institute's future. Particular thanks go to Candice Pribil, who is on maternity leave and her replacement Chris Carr the AIE Secretariat Officers at PAMS who have contributed to the continued improvement of services to members and the Board.

## *Paul McGregor*

Honorary Secretary

## MEMBERSHIP REPORT

The Membership Committee reports that during 2011-12 membership of the Institute decreased by 1% as shown in Table 1.

While 123 members (9%) ceased membership for various reasons in 2011-12 as shown in Table 2, the net loss of 14 means the Institute recruited 109 new members during the year.

**TABLE 1: AIE MEMBERSHIP DETAILS AS AT 30<sup>th</sup> JUNE 2012**

Branch	Individual Grades					Corporate		TOTAL at 30 <sup>th</sup> June	
	Fellow	Member	Grad.	Student	Assoc.	Corporate Members	Multiple Reps	2012	2011
Brisbane	30	64		5	3	6	8	116	126
Canberra	13	22	3	2	1	3	2	46	35
Melbourne	102	140	15	12	14	32	32	347	353
Newcastle	12	20	2	3	4	2	2	45	40
Perth	38	75	9	4	11	53	64	254	264
South Australia	26	52	2	8	8	21	31	148	153
Sydney	83	173	21	18	24	30	41	390	391
Tasmania	3	11	3		1	1	1	20	20
Overseas	8	12	1			1	1	23	21
<b>TOTAL</b>	<b>315</b>	<b>569</b>	<b>56</b>	<b>52</b>	<b>66</b>	<b>149</b>	<b>182</b>	<b>1389</b>	<b>1403</b>

*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 30<sup>th</sup> June 2012. It shows that three smaller 'Branches' (Canberra (31%), Newcastle 12.5% and Overseas 9.5%) have shown an encouraging increase in Membership, with Canberra having the strongest growth. The largest loss was in Brisbane (-7.9%) with the rest being relatively stable with small losses.

**TABLE 2: CEASED MEMBERSHIP DETAILS FOR 2011-2012**

Member Type	Resigned	Deceased	Cancelled	TOTAL
Individual	40	4	44	88
Corporate	27	0	8	35
<b>TOTAL 2011-12</b>	<b>67</b>	<b>4</b>	<b>52</b>	<b>123</b>
TOTAL 2010-11	66	6	82	154

Table 2 shows the number of members who have ceased membership of the Institute for various reasons over the last year. The total loss was 123 (31 less than during 2010/2011), of which 67 resigned, 4 were deceased and 52 were cancelled as required in the Constitution due to non-payment of fees for two consecutive years. The cancellation figure is 30 less than in 2010-11.

*Colin Paulson*

Membership Committee Convener

## BRANCH REPORTS

**Note:** These reports cover the 2011-12 financial year and committee memberships are reported as at 30<sup>th</sup> June 2012.

### **Brisbane Branch**

#### **Brisbane Branch Committee:**

Andrew Dicks	<i>Chair &amp; AIE Board member</i>
Randeep Agarawal	<i>Vice Chair</i>
Leigh Morpeth	<i>Hon. Secretary</i>
Graeme Box	<i>Hon. Treasurer</i>
Sara Richardson	

The Brisbane branch has supported four events during 2011-12, and has been active in setting the framework for the next Australian Coal Science Conference which is to be held in Brisbane in late 2013. The branch has also actively supported the formation of a Brisbane Young Energy Professionals Group, with a launch event planned for October 2012. We see the YEP as pivotal in keeping interest in the energy business in Queensland alive during the coming years, bringing more younger members into the professions associated with new and renewable energies.

#### **Brisbane Branch 2011-12 Program:**

<b>Date / Type</b>	<b>Topic</b>	<b>Presenter(s)</b>
19-20 July 2011	Future Fuels for Australia Conference	Speakers included Dr Andrew Dicks, Chair of the Brisbane branch of the AIE
25 October 2011	Solar Thermal Power – the next resources boom	Bruce Leslie, LC Engineering, and Andrew Dickson, Solar Dawn Consortium
6 December 2011 A Vision for Shell Australia	Cogeneration and Trigeneration	Catherine Ellis - <i>Senior Communications Advisor, Shell Company of Australia</i>
23 April 2012	Queensland Gas Market Review	Hosted by Oil and Gas Group

The committee would like to thank the hosts for the above meetings, in particular SKM for use of their facilities for evening meetings. A special thanks also to Sara Richardson and Conor O'Brien for taking the initiative to establish a YEP group in Brisbane. We look forward to the launch of the Brisbane YEPs in October 2012.

### **Canberra Branch**

#### **Canberra Branch Committee:**

Ross Calvert	<i>Chair</i>	
Toby Roxburgh	<i>Vice Chair</i>	
Michael Norfor	<i>Hon. Secretary</i>	
Jack Gregory	<i>Hon. Treasurer</i>	
Anntonette Dailey	<i>AIE Board member</i>	
Keith Sue	<i>YEP Representative</i>	
John Söderbaum		Pete Gorton

The Canberra Branch has grown substantially over the past year, with a larger, more robust leadership committee. Much of the first part of the year was spent planning and identifying key activities of the branch, including mentoring and knowledge sharing. The second half of the year, saw a number of high profile events with AIE members getting many opportunities to network. During 2011-12 key highlights include:

#### Canberra's sustainable energy future

With a new committee this event kicked off interest and with an interesting topic and AECOM sponsorship there were over 60 people at the free event.

Speakers covered the ACT government vision and challenge from Jon Sibley (ACT government), John Garvin (actewAGL) providing an overview of the connection requirements in the ACT. Toby Roxburgh (AECOM and Vice Chair of AIE Canberra) then explain the sustainable planning process from energy efficiency through district energy, renewables and peak demand reduction. The event was finished off with an insight into fuel cell power generation with even some demonstration fuel cells on show afterwards. The networking drinks and canapés followed the event allowing members to mingle.

#### Coal Seam Gas panel

Coal seam gas (CSG) has risen significantly in importance in Australia in recent years however; the rise in production of CSG has not been without controversy. AIE Canberra hosted a seminar to obtain the factual information first hand from major stakeholders.

Speakers included Rick Wilkinson, from the Australian Petroleum Production and Exploration Association, Matt Kendall, from the National Water Commission and Deb Kerr, from the National Farmers Federation. Their individual presentations were followed by a robust panel discussion and networking.

### **Melbourne Branch**

#### **Melbourne Branch Committee:**

Joy Claridge	<i>Chair</i>	
David Allardice	<i>Vice Chair &amp; AIE Board Member</i>	
Glenn Drover	<i>Hon. Secretary</i>	
Richard Hilton	<i>Hon. Treasurer</i>	
Clare Anderson	<i>Program Coordinator</i>	
Glen Currie	<i>AIE Board member</i>	
Mark Kealy	<i>YEP Representative</i>	
Joe Delaney		Roger Kilby
Brendan Millane		Kiera Poustie
Hannah Silvasich		Alistair Urquhart

AIE Melbourne Branch's activities and events in 2011–12 covered wide ranges: fossil fuels and renewables; technical and policy; supply and demand; city-based and regional; youth and maturity; tradition and innovation.

Our committee is fortunate to include a number of corporate representatives (Ernst & Young, Hays, IBM, PWC) providing generous sponsorship and 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 that had to be capped at just under 100 registrants.

The other sell-out events for 2011–12 were the Gas in Southeast Australia half-day seminar and the regional site tour to Ballarat.

Once again we congratulate our YEPs (Young Energy Professionals), in particular Mark Kealy, for making the All-Energy and speed networking events so successful.

Each year, Melbourne Branch contributes to the Victorian Secondary School Teachers Association Science Talent Search; \$500 in 2011.

We wish to thank association managers PAMS for another year of great service, in particular Chris Carr who looks after our event management and Guang Zeng who takes care of our accounting. 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.

**Melbourne Branch 2011-12 Program:**

Date	Topic	Presenter(s)
13 July 2011 Joint Seminar with Engineers Aust.	Planning for Electric Vehicles	Kristian Handberg, Vic Dept of Transport Geoff Zippel, Better Place Australia Ian McCleave, EV Engineering
28 July 2011 Lunch	Victoria's New Energy Policy	Hon. Michael O'Brien, Victorian Minister for Energy and Resources
20 September 2011 Lunch - host PWC	Climate: Tour of the policy horizon	Roger Beale AO, Pricewaterhouse Coopers
12-13 October 2011	All-Energy 2011 Conference with YEP conference stream and AIE Booth	2 day Conference stream organised by AIE YEPs
27 October 2011	Gas in Southeast Australia	Paul Balfe, ACIL Tasman Brendan Champness, Esso Australia Geoff Humphreys, Esso Australia Daniel Magasanik, Intelligent Energy Systems
29 November 2011 AGM Meeting: host Ernst&Young	From Fossil Fuels to Renewables; Downstream to Upstream	Bernard Wheelahan FAIE
14 February 2012 Site visit bus tour	Waubra Wind Farm and Ballarat Solar Park	Hosted by Acciona and Central Victoria Solar City's Program
21 March 2012 YEPS event	Energy Sector Speed Networking Evening	Experienced AIE professionals, recruiters & YEPS - Sponsored by Hays & TruEnergy
16 April 2012 YEPS dinner	Networking evening with young delegates to International Symposium on Sustainable Use of Low Rank Coal	
17 April 2012 Meeting hosted & sponsored by IBM.	Knowledge is Power: Driving smarter energy usage through consumer education	Jeff Holloman, IBM

**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>AIE Board member (to February 2012)</i>
Peter Halyburton	<i>AIE Board member (from February 2012)</i>
Murray Halyburton	Colin Paulson
Viv Paulson	Geoff Rigby
John Wright	

The primary focus of the Newcastle Branch of the AIE throughout 2011-12 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



**Newcastle Branch 2011-12 seminars/workshops, hosted by the Branch:**

Date / Type	Topic	Presenter(s)
6 Jul 2011 – Seminar at the University of Newcastle	Geothermal Energy – Current State of Play and Future Developments	Alistaire Webb, Geodynamics Stephen de Belle, Granite
22 November 2011 – Seminar and Branch AGM at Smart Grid Smart City, Newcastle	Smart Grid Smart City Presentation	Dr Adam Berry, CSIRO Alan Murray, Ausgrid
15 May 2012 – Seminar at CSIRO Energy Centre	CSIRO Energy Futures Seminar	Luke Reedman, CSIRO Paul Feron, CSIRO

**Perth Branch****Perth Branch Committee:**

Murray Meaton	<i>Chair &amp; AIE Board member</i>
Brian Truman	<i>Vice Chair &amp; National President</i>
Julian Fairhall	<i>Hon. Secretary</i>
Ken Lee	<i>Hon. Treasurer</i>
Gary Jeffery	<i>Chair Energy Western Australia Organising Committee</i>
Stuart Kamper	Louis Kent
Peter Kolf	Mark McKinnon
Col Roberts	Simon Thackray
Wayne Trumble	Ray Wills
Antony Beard	<i>YEP Representative</i>

Julian Fairhall replaced Kylie Wilkie as Branch Secretary and Antony Beard replaced Louis Kent as Young Energy Professional representative.

The number of events increased on the previous year with seven lunch events and a breakfast. The seminar events included a panel discussion and three international speakers. The average number of attendees was 115 people.

**Perth Branch 2011-12 Program:**

Date	Topic	Presenter(s)
25 July 2011 (Lunch)	Electric Vehicles	Dr Peter Pudney
August 2011 (Conference)	Energy in Western Australia Conference	Various
8 Sept 2011 (Lunch)	BP World Energy Outlook	Benjamin Kloos
7 Nov 2011 (Lunch)	Gas Price Review	Dr Mike Nahan
17 Nov 2011 (Lunch)	ESAA WEM	Clare Savage
28 Feb 2012 (Breakfast)	Saving Energy in a Hurry	Dr Alan Meier
23 April 2012 (Lunch)	The Booming West	Panel
23 May 2012 (Lunch)	Gas Price Regulation	Matthew Bowen
19 June 2012 (Lunch)	End of Peak Oil	Professor Kenneth Medlock

The eleventh annual Energy in Western Australia event (EWA11) was held over two days in August 2011 in partnership with the Office of Energy. The conference attracted a range of presenters from the International Energy Agency, Rice University, CSIRO, the Korean Power Exchange and the Grattan Institute plus a range of local speakers presenting on a diverse range of topics from market economics, energy efficiency, smart grids, training and skills, and energy technology. The event was well attended with over 200 delegates.

EWA12 was well supported by sponsors and generated a surplus which was shared equally between the WA Government Office of Energy and the Perth Group of the AIE.

The Perth branch had 255 members on 30 June 2012, maintaining its solid membership base. This is a small decrease from June 2011. Converting strong attendance at meetings into membership remains a challenge with most functions having 65% non-members in attendance.

The Perth branch has increased its education activities with continued support to the Petroleum Club's education program. The Perth Branch has also extended support to Earth Science Western Australia. This association was established to support the teaching of earth and environmental sciences through the development of teaching and learning resources.

### **Perth Branch – Young Energy Professionals (YEPs)**

The 2011-12 financial year was YEP Perth's second and was characterised by continued growth, great events, networking, as well as patronage and support from the Perth Branch of the AIE and the Western Australian energy industry more broadly.

#### **Perth YEP Events 2011-2012**

<b>Date</b>	<b>Event</b>	<b>Presenters</b>
21 July 2011	YEP Briefing: Securing a Clean Energy Future	James Bruining, Partner, Ashurst Brian Innes, Regional Manager, WA, Energetics Michelle Shepherd, GM Regulatory Affairs, Alinta Energy
18 August 2011	International Perspectives on Energy	Dr Grayson Heffner, Senior Energy Advisor, IEA, Paris Professor Paul Stevens, Snr Research Fellow, Royal Inst of International Affairs, Chatham House, London. Youngmeen Eom, General Manager, Korea Power Exchange, Korea.
6 September 2011	Independent Market Operator, Market Overview	
10 November 2011	Speed Networking for Young Energy Professionals	Senior members of the WA energy industry & keynote speeches by the Hon. Peter Collier MP, Minister for Energy & Trevor James CEO Synergy.
7 December 2011	Christmas drinks	
28 March 2012	YEP Breakfast: Entrepreneurs in Energy	Jamie Ally, GM Engineering, Energy Made Clean Ky Cao, CEO, Perth Energy Gary Jeffrey, Managing Director, XState Resources Limited
19 April 2012	Western Power Solar City Program	Western Power
28 June 2012	YEP Mentoring: Leadership in Energy	Jeff Dimery, CEO, Alinta Energy Frank Tudor, MD, Horizon Power Laurie Mann, Research Manager, Carnegie Wave Energy

Our principal metric of membership, support and success: mailing lists and LinkedIn group members nearly doubled in during the 11/12 financial year.

Our continued gratitude for the patronage and support of Minister Peter Collier and the AIE Perth Branch. We are also grateful to our very generous sponsors, some of whom have supported us since we were founded and look forward to another great year ahead.

## **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
Shameni Nitchingham		Jordan Parham
Bruce Parker		Mary Seely
Chandran Vigneswaran (from June 2012)		Patrick Walsh

### **General Activities**

Through 2011-12 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.

### **South Australia Branch 2011-12 Program:**

<b>Date</b>	<b>Topic</b>	<b>Presenter(s)</b>
Jul 2011	Energy Policy Issues for SA –an alternative perspective	Mitch Williams, Shadow Minister for Energy, SA
August 2011	ETSA Utilities- the journey ahead	Rob Stobbe, CEO, ETSA Utilities
September 2011	Topical Issues affecting gas network businesses	Ian Little, CEO, Envestra
October 2011	The future of clean energy in SA	Russell Marsh, Director of Policy, Clean Energy Council
November 2011	Strategic priorities in the energy markets in SA	Vince Duffy, Director Markets, DMITRE SA
December 2011	Making energy more affordable	Jeff Dimery, CEO, Alinta Energy
February 2012	The future of energy in Australia	Senator Christine Milne, Australian Greens
March 2012	Resource curse or two speed economy - does it matter for Australia?	Professor Paul Stevens, Chatham House (UK)
April 2012	The future role of geothermal energy	Terry Kallis, CEO, Petrathem
May 2012	Wind energy implications for SA?	Craig Oakeshott, AEMO
June 2012	Pricing Solar Electricity	Paul Kerin, CEO, ESCOSA

## 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; 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)**

The Young Energy Professionals Group continues to grow while pursuing its key objective of encouraging and facilitating the broadening of knowledge and understanding of the energy industry for young AIE members beyond their particular specific expertise or speciality.

During 2011-12 the key activities and topics were:

- August/September/October 2011 – Spring into Learning Series
- November 2011 – Perspectives on Coal Seam Gas
- March 2012 – Potential and challenges of shale gas
- April 2012 – Visit to Starfish Hill Wind Farm

In a major demonstration of support for the YEP Group, following a selection process amongst SA YEP members, two members (Mary Seely and Ryan McKee) were sponsored by the SA Branch to attend the 2102 World Gas Conference in Kuala Lumpur in June 2012. Both participants found the Conference very beneficial in providing insights into the global gas and energy industry, and provided presentations on their key conclusions to both the SA YEP group and at a SA Branch function upon their return.

## 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>	
Hanzheng Duo (part year – co-opted)		David Hawley
Ian Plumb		Charles Sorrell
Graham Mills – YEP Representative		

2011-12 was a fruitful and activity-filled year for the Sydney Branch both due to the range of technical events and symposia held as well as in the lead-up to the National Conference in November 2012 which the Sydney Branch is hosting.



*Rob Stokes MP - NSW Parliamentary Secretary for Renewable Energy addressing the Clean Energy Forum – 14 May 2012*

Sydney Branch technical events included presentations by a number of international speakers, as well as representatives of major corporates, innovative start-ups, consultants and government. We were pleased to receive lots of positive feedback about our events from members during the year. Such feedback sustains and (to use an energy industry pun) fuels our efforts to provide a forum for members to not only expand their professional knowledge but also socialise and network with energy industry colleagues.

### **Sydney Branch 2011-12 Program:**

<b>Date / Type</b>	<b>Topic</b>	<b>Presenter(s)</b>
15 August 2011 (Meeting)	Signals for transition - examining the new ETS and LRET	Seb Henbest and Kobad Bhavnagri, Bloomberg New Energy Finance
23 August 2011 (Meeting co-hosted with A2SE)	Positioning to deliver on Australia's Energy Efficiency potential	Dr Grayson Heffner, International Energy Agency Chris Dunstan, UTS – Institute for Sustainable Futures
4 October 2011 (Forum)	Cogeneration and Trigeneration	Dr Jacob Klimstra – Jacob Klimstra Consultancy; Hamid Popal – Renewable Intelligence; W. Henryk Sliwa – Simons Green Energy Solutions
17 October 2011 (Forum)	Carbon Capture and Solar Sequestration	Ray Cummings - DUT Pty. Ltd.; Doug Palfreyman - PalCom Systems Pty. Ltd.; Charles Sorrell – UNSW; Gavin Conibeer - UNSW
7 November 2011 (Panel Discussion)	Energy Efficiency/Clean Energy Future/Carbon price	Jon Jutsen - Energetics; Chris Hughes and Paul Curnow - Baker & McKenzie
21 February 2012 (Presentation)	The BP Energy Outlook 2030	Christof Rühl - Group Chief Economist, BP
7 Mar 2012 (Four Societies Meeting)	Counting atoms for a living - tales of Accelerator Mass Spectrometry	Dr Andrew M. Smith, Institute for Environmental Research
13 Mar 12 (Forum)	Central Power Generation in Sydney - future planning and technology	Bruce Precious – GPT; Paul Howarth – Ausgrid; Roger Swinbourne – AECOM; Robin Goodhand - AECOM
14 May 2012 (Half-day Seminar)	Clean Energy Future - Setting Directions, Breaking Down Barriers	Dr Rob Stokes MP - NSW Parliamentary Secretary for Renewable Energy; Ross Carter - Clean Energy Regulator; Mendo Kundevski - PCA; Dr Muriel Watt - IP Power; Andrew Durran - Epuron; Jenny Riesz - AECOM

A note of thanks and appreciation not only to all the above speakers during the year but also to our sponsors: Bloomberg New Energy Finance, Ashurst, Parsons Brinckerhoff, NSW Department of Trade and Investment, Baker & McKenzie, BP, and AECOM provided venues for our technical events and seminars and in some cases also sponsored the event catering. We look forward to the continued support from our corporate members in the coming year.

Thanks to Russell Wade, who retired from the committee early in the year, for his dedication and invaluable contributions during his time on the committee. A special mention is also due to Graham Mills for all his efforts during the year leading a very successful revival of YEP activities.

Sydney Branch Committee members John Blik, Denis Cooke, Ian Plumb and Tony Vassallo should be particularly mentioned for investing substantial time and energy during the past year in putting together the 2012 National Conference scheduled to be held in Sydney in November, whilst continuing to contribute to regular branch activities. The Committee also thanks AIE members Nyrie Palmer and Wendy Chapman, who have also been heavily involved in planning the National Conference as members of the conference Organising Committee.

## Sydney – Young Energy Professionals (YEPs)

Two forums and a site visit were also held during the year by a re-invigorated Sydney YEP Group under the leadership of Graham Mills.

### Sydney Branch YEP events 2011-12:

Date / Type	Topic	Presenter(s)
26 September 2011 (Forum)	Your Career in Energy	Tony Cooper, CEO, Energetics Mark Twidell, Australian Solar Institute Craig Nalder, Sungen
4 April 2012 (Forum)	Electric Vehicles – Transportation and Convergence	Guy Pross, Director, Better Place Dominic Kua, AECOM
1 June 2012 (Site Visit)	Mt Piper Power Station	Hosted by Mt Piper Power Station

The two YEP technical forums were delivered with the support of AECOM who hosted and provided catering both events and has continued its in-kind support to Sydney YEPs in the latter half of 2012.

Demand exceeded the available number of seats in the bus for the Mt Piper Power Station visit, which provided a great opportunity for YEPs to socialise and network while having the opportunity to learn from the inspection of operations at a working power station.

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 &amp; Hon. Treasurer</i>
Jane Sargison	<i>Vice Chair &amp; AIE Board Member</i>
Giles Whitehouse	<i>Hon. Secretary</i>
John Cannell	Kim Lee Chang
Rick Perrin	

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.

### Tasmanian Branch 2011-12 Program:

Date	Topic	Presenters
September 2011	Towards a Knowledge Management System for Algal Biofuels and Bioproducts in Australia	Sue Blackburn, CSIRO
August 2011	Tasmanian Energy Conference	Various incl. The Hon. Bryan Green MP, Glenn Appleyard, Peter Rae, Dr Peter Davis, CEO, Aurora Roy Adair, CEO, Hydro Tasmania
November 2011	Potential for embedded Hydroelectric generation in Tasmania – Case Study 1MW Derby Hydroelectric power station.	Steve Buckland, Tyco Tamar
November 2011	University of Tasmania, School of Engineering, Best Final Year Energy Related Honours Project	

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 number of presentations and also a key supporter of the Tasmanian Energy Conference 2011. The Branch also undertook several student focused activities at the University Of Tasmania.

Three meetings were organised during the year which have been 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.

## **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.

To provide an additional service the SIG now has an RSS Feed for those who want to subscribe to receive notification when new material is added to the site.

## **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 new YEP group was recently launched in Brisbane.

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 and support to new start up YEP groups.

YEP members have now joined the AIE Board and several Branch committees and their contribution is being made in the ongoing development 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 ENERGY STUDY SCHOLARSHIP**

Despite the usual publicity no applications for the Scholarship were received in 2011-12, and no Scholarship could be awarded.

It is pleasing to note that for 2012-13 a good field of strong candidates was received for the Scholarship by the closing date in August 2012. The results will be announced shortly.

## **COMMUNICATIONS**

### ***The AIE Energy News Journal***

The communications committee continues to work to improve the transmission of AIE issues to our members and the broader public. The website news service remains popular and the Institute Journal is well received. The Melbourne Branch with the support of the committee trailed a video recording of an event for broader distribution and the committee will further investigate web and other transmission models for distribution of events.

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. This was confirmed in the strong rating provided for the Journal in the Member Satisfaction Survey.

Two recent developments have been:

- The sourcing of researched articles adapted for the Australian situation from *Energy World*, the publication of the Energy Institute our affiliated association in the UK., and
- A facelift for the journal to provide a clean layout and modern colour format.

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 popular because it gives companies an excellent profile at modest cost.

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](mailto:editor@aie.org.au).

### **Monthly Email News**

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

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 Email News 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](mailto:aie@aie.org.au)) to add it to your database record, or edit your record in the database on-line. 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.

Some Branches which previously maintained their own contact databases have recently agreed to integrate their data in the national database maintained by PAMS to avoid duplication, ensure they have access to current membership data and minimise the risk of breaches of privacy regulations.

### **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 AIE webpage at [www.aie.org.au](http://www.aie.org.au) incorporates a website content management system to enable Branches and other users to manage their own web page, and provides a range of on-line services. Planning is underway for a major upgrade of the website to improve member services, associated with an upgrade of the association management software used by our service provider PAMS. A major improvement will be in making the site easier to use and log on to.



### **On-line Services**

Among the services incorporated on the website is an on-line service for subscription payments and bookings and payment for most of the AIE events around the country. Access this booking service, is expected to be simpler with the website upgrade referred to above.

In the interim, if you are having problems registering, it possibly relates to needing to enter your logon data. If you cannot remember your password to logon, click the 'Forgot your password?' link and you will be sent one. If you continue to have a problem please call PAMS on the Free Call number 1800 629 945 and their helpful staff will be happy to assist you.

A new service about to be launched is the ability to complete and submit membership applications on-line.

### **AUDITED ACCOUNTS FOR 2011-12**

The following pages comprise the audited accounts of the AIE for the 2011-12 Financial Year. These accounts include:

- 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 2011-12, with a consolidated operating surplus of \$37,667. However, this arose primarily due to the receipt by one Branch of its share of associated conference profits of \$67,714.

However, the Board, with no significant conference contributions in the year, reported a loss of \$11,778 even though subscription revenue increased significantly and some expenses were deferred into 2012-13. This indicates that any significant additional expenditure by the Board would have to rely on conference contributions, increased subscriptions or be funded from accumulated reserves.

The 2011-12 accounts show the Institute is still in a sound financial state with strong reserves held by the Board and several Branches. The Board Reserves of \$220,982, (excluding the Scholarship Fund) are equivalent to 1.6 times subscription revenue. However, the Branches hold even greater reserves, in total \$329,049, the bulk of which is held by 2 or 3 of the more affluent Branches.

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](mailto:treas@aie.org.au).

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# 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 2012.

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

Brian Truman	Tony Vassallo	Paul McGregor
Glen Currie	David Allardice	Murray Meaton
Michael Cochran	Peter Halyburton	Paul Riordan
Andrew Dicks	James Giblin	Anntonette Dailey (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 \$37,667 (2011: \$35,603).

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 impacted 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 2012 and the number of meetings attended by each Director.

Director	Board Meetings	
	Attended	Eligible
Mr Brian Truman (Ex Vice President – President from Feb 2012)	4	4
Dr Tony Vassallo (Ex-President – Vice President from Feb 2012)	3	4
Mr Paul McGregor (Hon Secretary )	4	4
Mr Glen Currie (Hon Treasurer)	4	4
Dr David Allardice	4	4
Mr Michael Cochran	4	4
Dr Andrew Dicks	2	4
Ms Anntonette Dailey (Joseph)	3	4
Mr James Giblin (resigned Nov 2011)	1	2
Mr Peter Halyburton (appointed Nov 2011)	2	2
Mr Murray Meaton	3	4
Mr Paul Riordan	4	4
Dr Jane Sargison	4	4

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)**

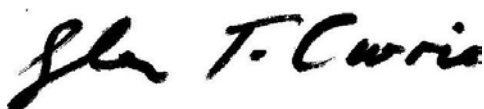
No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

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



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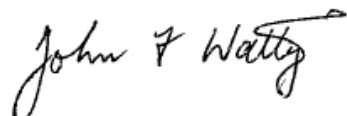
Dated: 15 October 2012

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 2012, 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.



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

Dated: 15 October 2012

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2012**

	NOTE	2012 \$	2011 \$
<b><u>REVENUE FROM ORDINARY ACTIVITIES</u></b>			
<b>Operating activities</b>			
Proceeds from meetings, functions and conferences		167,775	172,364
Sponsorship, donations and other revenue		3,098	40,873
Subscriptions from members		139,953	132,014
Journal sales and advertising		4,449	4,329
Share of Profit from other conferences		67,714	30,011
		382,989	379,591
<b>Non-operating activities</b>			
Interest received		29,370	26,262
		29,370	26,262
<b>TOTAL REVENUE FROM ORDINARY ACTIVITIES</b>		<b>412,359</b>	<b>405,853</b>
<b><u>EXPENDITURE FROM ORDINARY ACTIVITIES</u></b>			
AIE advertising, promotion and development		11,388	5,658
Audit and accountancy fees	14	9,180	10,614
Bank charges		4,247	3,722
Banners		1,750	-
Cost of sales		-	141
Conference expenses		227	3,300
Depreciation		270	-
Donations		80	-
General expenses		3,312	8,016
Insurance		5,091	3,859
Internet expenses		6,513	4,853
Journal publication costs		40,686	55,512
Meetings and functions		127,880	122,116
On Line News		4,615	-
Postage and telephone		4,476	5,157
Printing and stationery		4,491	3,609
Scholarships, prizes and awards		12,042	27,174
Sponsorship		8,000	6,909
Subscriptions		724	-
Travel and board meeting expenses		16,969	15,357
Administration services		112,751	94,253
<b>TOTAL EXPENDITURE FROM ORDINARY ACTIVITIES</b>		<b>374,692</b>	<b>370,250</b>
<b>OPERATING SURPLUS FOR THE YEAR</b>		<b>37,667</b>	<b>35,603</b>
<b>INCREASE IN RETAINED EARNINGS FOR YEAR</b>		<b>37,667</b>	<b>35,603</b>

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

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2012**

<b><u>CURRENT ASSETS</u></b>	<b>NOTE</b>	<b>2012</b>	<b>2011</b>
		<b>\$</b>	<b>\$</b>
Cash and cash equivalents	2	748,673	747,137
Trade and other receivables	3	31,746	7,622
Inventories	4	705	705
Other current assets	5	1,752	921
<b>TOTAL CURRENT ASSETS</b>		<b>782,876</b>	<b>756,385</b>
<b><u>NON-CURRENT ASSETS</u></b>			
Property, plant and equipment at cost		810	-
Less Accumulated Depreciation		(270)	-
<b>TOTAL NON-CURRENT ASSETS</b>		<b>540</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>783,416</b>	<b>756,385</b>
<b><u>CURRENT LIABILITIES</u></b>			
Trade and other payables	6	16,054	30,954
Subscriptions received in advance	7	80,902	76,638
<b>TOTAL CURRENT LIABILITIES</b>		<b>96,956</b>	<b>107,592</b>
<b>TOTAL LIABILITIES</b>		<b>96,956</b>	<b>107,592</b>
<b>NET ASSETS</b>		<b>686,460</b>	<b>648,793</b>
<b><u>EQUITY</u></b>			
Retained Earnings		686,460	648,793
<b>TOTAL EQUITY</b>		<b>686,460</b>	<b>648,793</b>

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2012**

<b>Retained Earnings</b>	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>
Opening Balance	648,793	613,190
Surplus for the year	37,667	35,603
Balance at 30 June	686,460	648,793

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2012**

		<b>2012</b>	<b>2011</b>
		<b>\$</b>	<b>\$</b>
<b>Cash flows from Operating Activities</b>			
Receipts from operating activities		384,005	437,969
Interest received		28,494	26,262
Payments for operating activities		(410,153)	(365,347)
Net cash flow provided by operating activities	11a	2,346	98,884
<b>Cash flows from investing activities</b>			
Purchase of fixed assets		(810)	-
<b>Cash flows from financing activities</b>			
Net increase in cash held		1,536	98,884
Cash at the beginning of the financial year		747,137	648,253
Cash at the end of the financial year	11b	748,673	747,137

**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2012**

**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) 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.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions,

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 Policies**a) Accounting for Regional Branches

All activities of the Branches 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 2012 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.

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*.

**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2012**

**NOTE 1 - SIGNIFICANT ACCOUNTING METHODS (cont'd)**

h) Critical Accounting Estimates and Judgments

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

i) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST, except where the amount of GST is not recoverable from the Australian Taxation Office.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

j) Financial Instruments

*Recognition and Initial Measurement*

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. 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 2012**

	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 2 – CASH AND CASH EQUIVALENTS</b>		
Cash and cash equivalents – Scholarship Reserve	136,329	133,951
Cash and cash equivalents – Other	304,513	336,078
Cash and cash equivalents – Term deposits	307,831	277,108
	<hr/> 748,673	<hr/> 747,137
<b>NOTE 3 – TRADE AND OTHER RECEIVABLES</b>		
Other receivables	10,870	7,622
Interest Receivable	876	-
Advance to Sydney Conference Organiser	20,000	-
	<hr/> 31,746	<hr/> 7,622
<b>NOTE 4 – INVENTORIES</b>		
Stock of AIE medals	705	705
	<hr/> 705	<hr/> 705
<b>NOTE 5 – OTHER CURRENT ASSETS</b>		
Prepayments	1,752	921
	<hr/> 1,752	<hr/> 921
<b>NOTE 6 – TRADE AND OTHER PAYABLES</b>		
Accrued expenses	7,900	6,875
Sundry creditors	3,423	19,076
GST	4,731	5,003
	<hr/> 16,054	<hr/> 30,954
<b>NOTE 7 – UNEARNED INCOME</b>		
Subscriptions received in Advance	80,902	76,638
	<hr/> 80,902	<hr/> 76,638

**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 \$37,667 (2011: \$35,603) 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.”*

At 30 June 2012 the Institute had 1,389 members (2011: 1,403).

**NOTE 10 – RELATED PARTY INFORMATION**

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

Brian Truman	Tony Vassallo	Paul McGregor
Glen Currie	David Allardice	Murray Meaton
Michael Cochran	Peter Halyburton	Paul Riordan
Andrew Dicks	James Giblin	Anntonette Dailey (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 2012**

**NOTE 11 – CASH FLOW INFORMATION**

a. Reconciliation of cash flow from operations with surplus for the year ended 30 June 2012.

Surplus for the year

Depreciation

(Increase) Decrease in receivables

(Increase) Decrease in inventories

(Increase) Decrease in prepayments

Increase (Decrease) in creditors

Increase (decrease) in unearned income

Net cash flow from operating activities

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

**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 2012.

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 2012 approximately 41% 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 2012**

**NOTE 12 – FINANCIAL RISK MANAGEMENT (Continued)**

	Weighted Average Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate Maturing		Non Interest Bearing		Total	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
	%	%	\$	\$	\$	\$	\$	\$	\$	\$
<b>Financial Assets</b>										
Cash and cash equivalents	3.50	3.76	440,842	470,029	307,831	277,108	-	-	748,673	747,137
Trade and other receivables	-	-	-	-	-	-	31,746	7,622	31,746	7,622
<b>Total financial assets</b>			<b>440,842</b>	<b>470,029</b>	<b>307,831</b>	<b>277,108</b>	<b>31,746</b>	<b>7,622</b>	<b>780,419</b>	<b>754,759</b>
<b>Financial Liabilities</b>										
Trade and other payables	-	-	-	-	-	-	96,956	107,592	96,956	107,592
<b>Total financial liabilities</b>			<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>96,956</b>	<b>107,592</b>	<b>96,956</b>	<b>107,592</b>

Trade and other payables comprise principally of subscriptions received in advance in the amount of \$80,902 (2011: \$76,638) and the following other payables which are expected to be paid as follows:

Less than 6 months

6 months to 1 year

**Total trade and other payables**

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 2012, 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%
- Decrease in interest rate by 2%

**Change in equity**

- Increase in interest rate by 2%
- Decrease in interest rate by 2%

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 and principal place of business 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 2012**

	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 14 – AUDITORS’ REMUNERATION</b>		
National/Board Audit fees	6,625	8,125
Branch audit Fees	2,555	2,489
	<u>9,180</u>	<u>10,614</u>

**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 11, 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 as at 30 June 2012 and of the performance for the year ended on that date of the company..

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: 15 October 2012

**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 2012, 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. The accounts are 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 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 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.

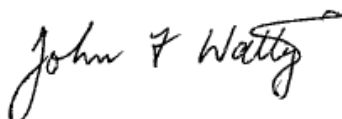
**Independence**

In conducting my audit, I have complied with the independence requirements of the *Corporations Act 2001*. I confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Australian Institute of Energy would be in the same terms if given to the directors as at the time of this auditor's report.

**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 2012 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  
15 October 2012

**AUSTRALIAN INSTITUTE OF ENERGY - BOARD  
INCOME STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2012**

	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>
<b><u>REVENUE FROM ORDINARY ACTIVITIES</u></b>		
Interest received	18,685	17,690
Profit share from conferences	1,526	35,005
Subscriptions	139,953	132,015
Journal sales and advertising	4,449	4,329
Sponsorship	-	7,750
Sundry income	460	-
	165,073	196,789
<b><u>EXPENDITURE FROM ORDINARY ACTIVITIES</u></b>		
AIE promotion and development	11,094	5,210
Audit and accounting fees	6,625	8,125
Bank charges	3,185	2,678
Conference expenses	227	3,300
Cost of sales	-	141
Depreciation	270	-
General expenses	1,898	586
Grants to branches	2,000	5,500
Insurance	5,091	3,859
Internet and web expenses	6,413	4,753
Journal publication costs	40,686	55,512
On Line News Expenses	2,824	-
Postage and telephone	3,912	3,163
President's expenses	-	1,571
Printing and stationery	2,848	2,559
Scholarship expenses	-	4,000
Scholarships, prizes and awards	536	6,445
Travel and Board Meeting Expenses	16,565	15,357
Administration services	72,677	63,311
	176,851	186,070
<b>SURPLUS (DEFICIT) FOR YEAR</b>	<b>(11,778)</b>	<b>10,719</b>

**AUSTRALIAN INSTITUTE OF ENERGY - BOARD  
BALANCE SHEET  
AS AT 30 JUNE 2012**

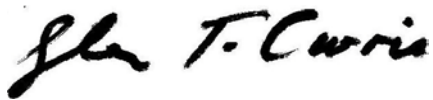
<b><u>CURRENT ASSETS</u></b>	<b>NOTE</b>	<b>2012</b>	<b>2011</b>
		<b>\$</b>	<b>\$</b>
Cash and cash equivalents – Scholarship Reserve		136,329	133,951
Cash and cash equivalents – Other		294,931	353,987
Trade and other receivables		20,000	2,042
Prepayments		1,751	1,300
Inventories		705	705
<b>TOTAL CURRENT ASSETS</b>		<b>453,716</b>	<b>491,985</b>
<b><u>NON-CURRENT ASSETS</u></b>			
Property, plant and equipment		810	-
Less: Accumulated depreciation		(270)	-
<b>TOTAL NON-CURRENT ASSETS</b>		<b>540</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>454,256</b>	<b>491,985</b>
<b><u>CURRENT LIABILITIES</u></b>			
Trade and other payables		11,813	28,392
Subscriptions received in advance		80,902	76,638
Branch and division funds		4,230	17,866
<b>TOTAL CURRENT LIABILITIES</b>		<b>96,945</b>	<b>122,896</b>
<b><u>NON-CURRENT LIABILITIES</u></b>		-	-
<b>TOTAL LIABILITIES</b>		<b>96,945</b>	<b>122,896</b>
<b>NET ASSETS</b>		<b>357,311</b>	<b>369,089</b>
<b><u>EQUITY</u></b>			
Retained Surplus at the beginning of the financial year		369,089	358,370
Net Surplus (Deficit) for the financial year		(11,778)	10,719
<b>TOTAL EQUITY</b>		<b>357,311</b>	<b>369,089</b>



**AUSTRALIAN INSTITUTE OF ENERGY - BOARD**

**TREASURER'S REPORT**

The attached Income Statement and Balance Sheet for the year 1 July 2011 to 30 June 2012 are in accordance with the books and records and present a true and fair view of the state of affairs as at 30 June 2012 and of the results for the year ended on that date for the Board of the Australian Institute of Energy.



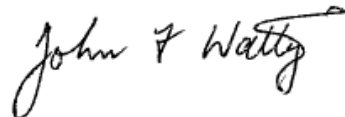
Glen Currie  
Honorary Treasurer

Dated: 15 October 2012

Melbourne

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

The attached Income Statement and Balance Sheet for the year 1 July 2011 to 30 June 2012 are in accordance with the books and records and present a true and fair view of the state of affairs as at 30 June 2012 and of the results for the year ended on that date for the Board of the Australian Institute of Energy.



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

Dated: 15 October 2012