ANNUAL REPORT

Australian Institute of Management
QLD & NT

2012

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From the **Chair**

It is with pleasure that I present the 2012 Annual Report of the Australian Institute of Management – Qld & NT. The report provides a comprehensive review of the performance of the Institute and its fully owned subsidiaries TheCyberInstitute Pty Ltd and LeaderSpace Limited. 2012 was a year of investment for the Institute. This included investment in property, regional footprint, visibility and young managers as well as investment in the long term direction and opportunities for AIM.

The year produced revenue of $25.7m, 23% ahead of 2011. A group profit before tax of $1.51m, represented a strong financial result supporting expansion of a number of strategic initiatives.

The Institute's fully owned subsidiary TheCyberInstitute invested in the development of the Cybil (short for CyberInstitute Learning) an intelligent LMS that provides hosting for eLearning and training modules and enables management of learning and compliance needs. Cybil is being used by some of the State's largest companies and professional associations. While the TCI engineering team is creating CybilM a mobile application of Cybil. TCI was successful for the fourth consecutive year at the prestigious national LEARNX awards, taking out first place in the Induction category and first place in the Best eLeanring Design Audio for their work with BMC.

Through 2012, significant time was invested into the long term strategic direction of AIM, given its federated structure. Each if the five current divisions has its own board, management structure, curriculum and initiatives. Each of these divisions can be rightly proud of the work they do and the development they undertake – as we are rightly proud of initiatives that have originated in Queensland and the Northern Territory such as AIMQ Online, The Management Excellence Awards, The International Women's Day Debate, the Young Manager Advisory Board and Management Press. However, it was timely to consider the benefits and opportunities of a truly national body that respected geographical differences and leveraged existing infrastructure and talents to provide leading edge, long term and sustainable benefits to members and the profession.

To that end, your Board invested in discussions with our colleague AIM divisions to plan a future were a one merged AIM national body is created. This process resulted in the boards of AIM NSW & ACT and AIM Qld & NT determining to put a resolution to merge before their respective memberships. This was a considered decision to leverage the complementary skills of these two neighbouring States and Territories and to provide the first step to a truly national entity. The process has been detailed and at times difficult as the traditions, sensitivities and origins of each division and its members, both new and long standing were considered. Yet given that the objects of our respective constitutions and our mission of *better leaders and better managers for a better society* are largely the same, the case for merger is compelling. Even more so given the majority of prestigious professional associations have a national structure.

Your Board has also invested in the physical assets of the Institute. This included considerable further refurbishment of Management House to provide member facilities and contemporary meeting rooms supported by learning technologies. Our premises at Robina continued serving as a focal point for managers on the Gold Coast. We have leased induction training centres in Brisbane, Mackay, Emerald, Rockhampton, Moranbah and Dysart and we are proud that those centres provide employment for local managers and generate business for local suppliers. The centres, particularly in Rockhampton and Emerald are being used by managers and the local community to further their work.

Your Board also invested in the 2012 Management Excellence Awards program which was expanded to include for the first time a national Young Manger of the Year Category. At least one member of my Board and one member of senior management travelled to each of the nine regional finals and two gala events enabling directors to gain a first-hand understanding of the enviable management talent that resides across our State and

Territory. My Board also invested in bringing finalists in the Young Manager Category to Brisbane to contest the National Award. The Awards program relies on the voluntary contribution of senior business leaders who invest their time as judges in the program. In 2012, over 160 judges contributed a day of their time to support managerial development and we are indebted to them

Your Board continued to invest in the five pillar strategy first introduced in 2011. The strategy positions the Institute as member serving, region serving, profession serving, career serving and future serving. The income generated through training and management related activities are used to fund the five pillar strategy.

My fellow Directors and I are grateful for the contribution, conversation and constructive feedback that inform our work. We are most mindful of the senior professionals, who volunteer their time to serve on Sub-committees of the Board, to contribute to our nine Regional Councils, who mentor, present on management topics and in classes and who are committed to developing the capacity of managers.

As we head into a new chapter in the history of Institute we are reminded of its rich history and excited about creating a future which will deploy your funds to their best use and further raise the competency and profile of manager's across Australia. Our nation's productivity and future depends on this.

Grant Dearlove FAIM
AIM Qld & NT Chair

Back Row: Christine Cornish FAIM, Richard Boys FAIM, Rolanda Ayling AFAIM, John Cotter FAIM, David Conry FAIM
Front Row: Michael O'Hagan FAIM, Julie Boyd FAIM (Deputy Chair), Grant Dearlove FAIM (Chair), Bob Bishop FAIM

Board of **Directors**

From the **CEO**

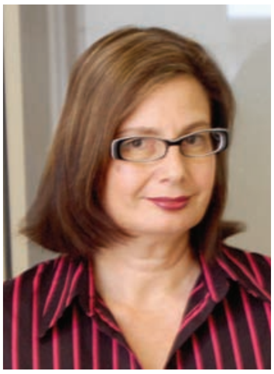
AIM Qld & NT is a multi-faceted organisation which supports its members and the profession of management through a diverse program of accredited training, professional development opportunities, events, awards, position papers, publishing, networking and mentoring. Throughout 2012, management and staff worked to deliver this program in line with the Institute's five pillar strategy.

Approximately 75% of the revenue of AIM is derived from management training. We worked closely with corporate clients and industry to create training and professional development experiences that reflected their needs. This resulted in 15 new courses such as Management Development Programs Level 1 and 2, On Boarding Your Team, Women Positioned for Leadership, Communicating with Diplomacy, Tact and Creativity, Crafting a Consulting Career and Managing the Media. These courses complemented over 120 existing courses already on offer, 31 of them online. During 2012, $215k was invested in course development with a further $250k budgeted to be invested in 2013.

We introduced a regional cluster mode to further support Regional Councils. Regional Councils are now serviced with a Northern, Central and Southern framework, each with its own dedicated Co-ordinator. This structure took shape during the year and with feedback has evolved into a sustainable model to leverage into the future.

In collaboration with AIM NSW & ACT a range of papers were developed on topics that directly impact managers. These included a white paper on Gender Diversity in collaboration with United Nations Women, Flexible Workplaces and Managing and Motivating Older Workers. The second Australian Management Capability Index was undertaken revealing important trends, international comparisons and inputs for managerial decision making. The Thought Leadership was extremely well received by the members and the broader management community.

Without doubt, one of the highlights of the year was the formation and work of the Young Manager Advisory Board (YMAB). The YMAB is a dynamic group of seven managers under 30 who advise the AIM QLD & NT Board on the development and progression of young managers. Under its Terms of Reference the YMAB is required to meet at least twice a year outside metropolitan Brisbane and to that end met in Cairns and Toowoomba in addition to its Brisbane meetings. The YMAB is set to make an even greater impact in 2013 particularly in the design of courses and learning experiences and mentoring for young managers.



One of the major initiatives for 2012 was the Annual Pass which offers unlimited training, professional development and event attendance for 12 months for a fixed price. The pass provides an extremely cost effective way for managers to access professional development through courses and qualifications in a range of modes from face to face, intensives, online and one of one course coaching. Many organisations have purchased a pass to recognise employee contribution and support career development.

We continued to develop our facilitator community through assessment workshops, presentations and peer review. The highly prestigious 2012 Facilitator of the Year Award was won by Aileen Tan who received a trip to the American Society of Training and Development Annual Conference and Exhibition held in Florida. Aileen is representative of the high calibre of training professional who are the face of AIM to the thousands of managers who undertake our courses.

During 2012 management and staff worked to produce a strong surplus to reinvest in supporting and developing managers. As a team we remain committed to creating better manager better leaders for a better society and look forward to serving members and managers in 2013 and beyond.

Vivienne Anthon FAIM
Chief Executive Officer


walking
the talk
building a culture for success
CAROLYN TAYLOR

Professional Members
25+ years

Fellows

Alan du Mee
Alan Camp
Allan Pease
Art Lysons
Ashley Goldsworthy
Austin Hogan OAM
Barbara Bishop
Barry Kelly
Barry Long PSM
Beryl Morris
Bill Andrew
Bob Waldie
Bob Rasmussen
Bob Bishop
Brett Roveda
Brian Buchner
Brian Mitchell
Bruce Embery
Chris White
Christopher Waller
Clyde Gilmour
Colin Toll
Cor Frederiks
David Clare
David Barry
Debra Cheyne
Dennis Young
Donald Knowlman
Donald Duncan
Douglas Stuckey
Edward Benson AM
Ellis Goldman
Eric Munro
Frank Martin
Garry Stokes
Geoff Hines
Geoff Wormwell
Geoffrey Cornwell
George Gehrmann
Gerard Byrne
Glenn Bunney
Graeme Johnston
Graeme Kerridge
Graham Caddies
Greg McCallum
Henry Cooper
Hunter Harrison MBE, FSSA
Iain Summers
Ian Cameron
Ian Manly
Jean-Luc Revel
Jim Kable
Jim Bowden
Jock McIlwain
Joe Gamblin
John Massey
John Bruce
John Rich
John Herbert
John Honeycombe
Keith Watts
Keith Hilless
Ken Gilbert
Ken Murphy
Ken Matheson
Ken Miller
Kevin Covey
Lea Rapoport
Leo Hielscher
Lloyd Beck
Lyn Russell
Malcolm Cremer
Marc Desmarchelier
Mary Mahoney AO
Max Bond
Michael Reilly
Neal Weston
Neville Brown
Noel Johns
Norman Fussell
Pat Killoran
Paul Chesher
Paul Sergeant
Paul Wright AM
Paul Van Epenhuysen
Peter Coaldrake
Peter Harrison
Peter Borrows
Peter Slaughter
Peter Cornish
Peter Evans
Philip Atherton OAM
Ray Bange
Richard Swift
Richard Fairley
Robert Sharpless
Robyn White
Rod Scott
Roger Marshall OBE
Rollan Oxenham
Ron Entsch
Ron Howatson
Sallyanne Atkinson AO
Sergio Maresca
Sharyn Sherrington
Syd Yates OBE
Terry White
Terry O'Reilly
Trevor Ives
Trevor Steel
Wayne Videroni
Wayne Patterson

Associate Fellows

Alan Regan
Alan Atwell
Brendt Munro
Bruce Moffat
David McKeon
David Reading
Eric Plumpton
Essex Tait
Eugene Esmonde
Gary Houston
Gary Conquest
Geoff Orr
George Meija
Graham Coombs
Harry Wszola
James Howard
Jerome Fernandez
Jim McClelland
John Goldman
John Purcell
John Frost
Mac Leonard
Mark Furness
Mark Elms
Nev Ward
Noel Sammon
Paul Boytar
Peter Sharp
Phil Hay
Rick Davies
Robert Ashley
Ron Freyling
Seth Hughes
Stephen Rees
Stephen English
Ted Milliken
Ted Hook
Tony Stokes
Vincent Chow
Warren Hampton
William Dethlefs

Members

Alan Selva
Albert Girle
Alf Kilimoff
Andrew Macrides
Anne Barker
Austin Renton
Bart Gross
Beth Ward
Bill Greene
Bob Dick
Brian McKenzie
Brian Delahaye
Bronwyn McEntee
Bruce Riddel
Cedric Holland
Chris Odgers
Colin Sheehan
David Barrett
David Edington
David Evans
Denis Drouyn
Desirae French
Dharmendra Chandra
Don Evans
Don Whitford
Donald Kerr
Douglas Ng
Evan Hartley
Fred Baguley
Greg Lane
Gregory Eustace
Herbert Collie
Ian Johnston
Jim McGregor
Jim Watson
Jim Mason
John Odlum
John Rae
John Wearne
John Milner
Judith Robson
Keith McDonald
Kerry Woolacott
Kerry Johnston
Kevin Hooper
Leonard Stroud
Lyndon Niemann
Malcolm Roberts
Margaret Wicks
Mark Roberts
Michael Scanlan
Michael Stephens
Michael Rein
Nicholas Netto
Paul Solly
Peter Lyons
Peter Mortimer
Robyn Rodwell
Roger Chandler
Ross Pollock
Stephen Lonie
Stephen Baker
Stephen Ormerod
Susan Mortimer
Tom McMurray
Tony Sadler
Willem de Graaf

Highlights for **2012**

AIM Chief Executive Officer Vivienne Anthon FAIM (left) with AIM Chair Grant Dearlove (second from right) at the launch of the Emerald Training Centre

Expanded Regional Presence

The Institute continued to expand its footprint in regional Queensland, with the opening of purpose built Induction Training Centres in Emerald and Rockhampton. The official opening of the Emerald facility was attended by the Mayor Cr Peter Maguire as well as senior representatives of BMA and local contractors. There are now six induction sites across Queensland providing 2000 square metres of training space. The Rockhampton facility has hosted a range of AIM events and training to support managers in Central Queensland.


Peta Pitcher FAIM, Jean Madden and Fleur Kingham

International Women's Day Debate

The 2012 AIM International Women's Day debate was the largest on record, drawing a capacity crowd of 1 500 to the Brisbane Exhibition and Convention Centre. Six extraordinary professional women mounted a spirited and clever debate on the topic "That you have to be an iron lady to make a mark". Each of the debaters donated her time and nominated a charity to be the beneficiary of funds raised through the now legendary "What Women Want" Raffle. Charities to share in the $48,000 raised included Hear and Say Centre, Endeavour Foundation, Street Swags Ltd, Queensland Centre for Gynaecological Cancer, Hope Foundation and Camp Quality.

Lee Staddon AFAIM and Craig Somerville AFAIM

Management Excellence Awards

The 2012 Management Excellence Awards continued to recognise outstanding managers. Two gala events – in Darwin and Brisbane – acknowledged individual managers for the work they do and the difference they make. For the first time a national Young Manager of the Year was awarded, with Mackay manager Lee Staddon being the inaugural recipient. Mr Allan English was presented with the Griffith University Medal for Management Innovation.

National Networking Week

National Networking Week is held in the first week of August every year. An initiative of AIM QLD & NT, the week is now a truly national undertaking with growing international interest and support. The 2012 National Networking Week ambassador was international author and commentator Liz Lynch who clocked up 21 636 kilometres to network with managers from 238 organisations across nine centres. Liz engages with those she met on her tour form her base in the United States and supports the work of AIM through her social media postings.


Liz Lynch

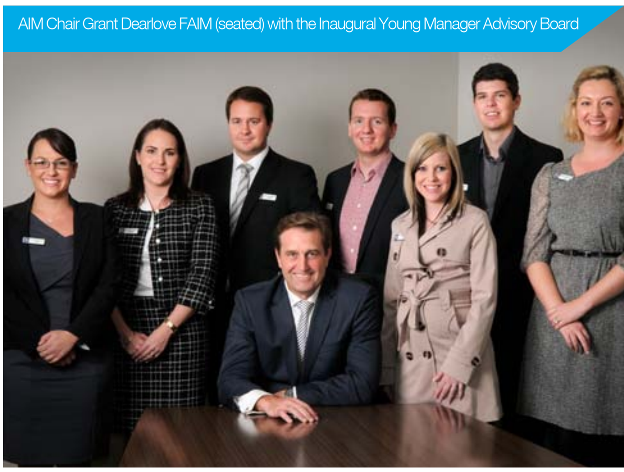
International Speaker Series

The Institute continued its commitment to engaging with international management thinkers and leaders. The 2012 International Speaker Series included leading researcher Dr Ursula Staudinger Vice President of Jacobs University in Bremen who presented on the topic of wisdom, Dr Ivan Misner founder of the world wide networking phenomena BNI who spoke on gender differences in networking at the Sunshine Coast and UK based Dr Paul Aitken who spoke on leadership agility.


Professor Ursula Steaudinger and Dr Malcolm Johnson FAIM

New membership category

The focus on the development and support of young mangers continued in 2012 with the introduction of an additional membership category AIMe known as emerging manager. The membership category was recommended by the Young Manager Advisory Board and is designed for those in management related tertiary study and those taking up their first management position. Employers strongly supported the initiative by providing an AIMe membership to new managers to support the early years of managerial development.


AIM Chair Grant Dearlove FAIM (seated) with the Inaugural Young Manager Advisory Board

Initiatives for **2013**

ymab
Young Manager Advisory Board

The YMAB is a dynamic group of seven managers under 30 who advise the AIM QLD & NT Board on the development and progression of young managers. The YMAB held its first meeting in May 2012, met in Cairns, supported the Management Excellence Awards in Toowoomba and set goals which resulted a marked increase in managers under 35 joining and engaging with the Institute. The work, visibility and impact of the YMAB is set to expand in 2013 with meetings in Gympie and in Darwin, workshops, events and invaluable input into the design of courses for young managers.

thirty under 30

2013 saw the introduction of the AIM30: 30 Managers Under 30 Making a Mark. An initiative of the YMAB, the AIM30 is a list of individuals who have excelled in their chosen careers and in community life. The process was overseen by the YMAB, who identified managers achieving extraordinary outcomes. Those who made it onto the list published in April 2013 included Adam di Marco from Leighton Holdings, Kamal Ali from Sterling Property Services, one of the Northern Territory's most successful companies and Andrea Ambrosio from Cairns who is an expert in the field of grant and tender applications. The list was an instant success and drew extensive media coverage and professional opportunities for those named. Applications for the 2014 list will open in October 2013.

Annual PASS

In 2013, the Institute will expand its annual training pass initiative which offers unlimited training, professional development and event attendance for 12 months for a fixed price. The passes provide an extremely cost effective way for managers to access professional development through 125 accredited courses and qualifications in a range of modes from face to face, intensives, online and one of one course coaching. Many organisations have purchased a pass to recognise employee contribution and support career development.

m4m

The More for Managers program will continue to identify and expand the services for personal and corporate members and leverage connections with AIM members across Australia and the Asia Pacific through the Asian Association of Management Organisations. Throughout 2013, m4m will encourage members to participate in AIM research and discussion forums, pilot new and substantially improved courseware, attend courses via video link, apply for over 100 scholarships and enjoy the benefits derived from linkages with a range of professional associations. The AIM Jobs Board will support members to post and apply for managerial positions, giving both the member employer and the potential employee a professional edge.

Research &Thought Leadership

The Institute will continue to develop discussion papers on a range of topics that directly impact the important work managers undertake. The Australian Management Capability Index (ACMI) will again provide an opportunity for CEOs and senior executives to track manager performance, contributing to a longitudinal profile of management capability in Australian and overseas. The Institute will also build on its well-received white papers Engaging and Retaining Older Workers, Managing in a Flexible Work Environment and Gender Diversity in Management. Papers will be produced on the importance and impact of young managers, management innovation, managerial productivity and the unique challenges of managing in regional Australia.

TRAIN TODAY

The Institute is committed to providing access to as many opportunities as possible for managers to receive the professional development and perspectives required for growth in the current business environment. That was the motive behind the development of Train Today - a just in time booking portal that allows managers to attend a limited range of popular courses offered in the a seven day time frame at a substantially reduced price. The courses vary from week to week depending on demand. Train Today suits those managers and businesses seeking to stretch their PD budgets. Train Today offerings will extend to regional Queensland and NT in 2013.

The **Five Pillars**

MISSION: To develop, support, promote and practise the profession of management at all levels.

VISION: To be the Australian manager's career partner of first choice.

MEMBER SERVING

2013 Focus:

- Personal and Corporate
- Clear value proposition
- Managers at all life stages and cycles
- Stature of postnominals
- Preferential role in all activities and opportunities

Through:

- Young Manager Advisory Board (YMAB)
- Diamond Circle
- The Exchange
- The Speaking Group
- Ambassador/Patron
- National and Divisional research on membership drivers
- Grow membership base and increase retention
- Corporate Agenda

REGION SERVING

2013 Focus:

- Expanded regional footprint supporting managers wherever they reside
- Increased regional visibility
- Consistent and tailored experiences
- Leveraging strength of Regional Committees
- Presence and connection to Asia/Pacific

Through:

- Engagement and interaction through technology
- Board/Committee/Executive Team meetings across Qld & NT
- Regional administration structure – Southern, Central, North
- Induction and support of Committees
- AIM Open House Road trip
- Develop ties with AAMO (Asian Association of Management Organisations)

PROFESSION SERVING

2013 Focus:

- AIM as the Voice of Management
- Visibility and importance of an evolving profession
- Practitioner research and advocacy
- Power of internal and external networks

Through:

- Brand awareness
- Public policy analysis and interpretation
- Green Papers and White Papers
- Influencing eg "advocating" a point of view
- Public profile of Institute and its capability
- University and Professional Association collaboration
- Revitalised Management Excellence Awards extended nationally
- Scholarships

CAREER SERVING

2013 Focus:

- Responsive management education
- High quality accredited training VET/Higher Ed
- High quality non accredited experiences
- Leveraging transition points
- Thought Leadership
- Career development of all stakeholders

Through:

- Suite of existing and new programs
- Partnering with exceptional third party IP
- Piloting new experiences with members for input and engagement
- Presenting national and international Thought Leaders to provoke new perspectives
- Staff career and professional development

FUTURE SERVING

2013 Focus:

- Communication and information systems to serve the future
- LeaderSpace
- Induction Services
- Sustainable futures/corporate resilience
- Mobile learning resources for managers of today and tomorrow

Through:

- Identification and implementation of an ERP
- Strategic communication infrastructure to support our ambitions
- Ramp up and roll out LeaderSpace
- Leverage Induction capability
- Maintain Ecobiz rating through the efficiencies it requires
- Develop mobile learning programs, beginning with new managers

Whole of Organisation Approach

GUIDING PRINCIPLES

Respect
We respect and serve internal and external customers equally.

Commitment
We believe in ourselves, each other, our services and our organisation.

Professionalism
We model best practice and ethical behaviour in business, management and governance.

Responsibility
We all own our actions, promises and professional behaviours.

Innovation
We value innovation and creativity as it helps to reinvent ourselves and our business.

Better Managers for a Better Society

Directors' **report**

The Directors have pleasure in presenting their report together with the consolidated financial statements of the Australian Institute of Management - Qld & NT (the Company) for the year ended 31 December 2012, and the Auditors' report thereon.

Directors

The Directors who held office during the year ended 31 December 2012 and up to the date of this report are:

Chair

Grant Dearlove FAIM
Special Practice Areas Legal Partner, Shine Lawyers

Deputy Chair

Julie Boyd FAIM
Company Director

Directors

Mike O'Hagan FAIM
Founder/Owner, MiniMovers

Bob Bishop FAIM
Chief Executive Officer, TT Group

John Cotter FAIM
Executive Chairman, Flinders Group of Companies

Rolanda Ayling AFAIM (appointed 19 February 2012)
Company Director

Richard Boys FAIM (appointed 19 February 2012)
Company Director

David Conry FAIM (appointed 19 February 2012)
Company Director

Christine Cornish FAIM (appointed 19 February 2012)
Director, Bushell & Cornish Group

Mr Cotter, Ms Ayling, Mr Boys, Mr Conry and Ms Cornish were subsequently elected at the 2012 AGM in May.

Unless otherwise stated, the Directors were in office from the beginning of the financial year.

The Australian Institute of Management - Qld & NT is a company limited by guarantee; therefore no Director holds any shares in the Company.

Company Secretary

Faisal Mukhtar FAIM
CA, Grad Dip AppCorpGov

Directors' remuneration

The Board sets aggregate Directors' remuneration at a level that provides the Company with the ability to attract and retain Directors of the highest calibre.

A special resolution was passed at the 2011 AGM to amend the AIM Constitution to allow the Company to pay fees to its Directors for performance of their duties and responsibilities as Directors as determined from time to time by the Board. Directors resolved to pay $10,000 annual fees to AIM Directors and $20,000 annual fees to the Chairman of the AIM Board quarterly in arrears with effect from 1 July 2011.

In July 2012, Directors resolved to pay $15,000 annual fees to AIM Directors and $30,000 annual fees to the Chairman of the AIM Board quarterly in arrears with effect from 23 May 2012.

Remuneration report

The remuneration of AIM Non-executive Directors who held office during the year ended 31 December 2012 is detailed below:

Non-executive Director	Period	2012 Aus $	Period	2011 Aus $
Mr G Dearlove (Chairman)	Jan 2012 – Dec 2012	25,960	Jul 2011 – Dec 2011	10,000
Ms J Boyd	Jan 2012 – Dec 2012	12,980	Jul 2011 – Dec 2011	5,000
Mr M O'Hagan	Jan 2012 – Dec 2012	20,480	Jul 2011 – Dec 2011	15,000
Mr B Bishop	Jan 2012 – Dec 2012	15,018	Jul 2011 – Dec 2011	5,000
Mr J Cotter	Jan 2012 – Dec 2012	12,980	-	-
Ms R Ayling	Feb 2012 – Dec 2012	11,730	-	-
Mr R Boys	Feb 2012 – Dec 2012	11,730	-	-
Mr D Conry	Feb 2012 – Dec 2012	11,580	-	-
Ms C Cornish	Feb 2012 – Dec 2012	11,580	-	-
Total Directors' fee		**134,038**		**35,000**

On 19 October 2012, Mr Bishop was appointed as the Chairman of TheCyberInstitute Pty Limited, a fully owned subsidiary of the Company. From that date he elected not to receive a Director's fee from AIM and receive a Director's fee from TheCyberInstitute only.

Mr O'Hagan received Directors' fees from the Company and its subsidiary TheCyberInstitute Pty Limited up to 19 October 2012. He elected not to receive any fees from TheCyberInstitute effective 20 October 2012.

All other AIM Non-executive Directors of the Company who are also the Directors of the subsidiary entities of the Company do not take any Directors' fee from the subsidiary entities.

Directors' meetings

	Directors' meetings		Audit and Risk Management Committee	
	Held*	Attended	Held*	Attended
Directors				
Mr G Dearlove	8	8	1	1
Ms J Boyd	8	8		
Mr B Bishop	8	5		
Mr M O'Hagan	8	8		
Mr J Cotter	8	8	4	3
Ms R Ayling (Appointed 19 Feb 12)	8	5		
Mr R Boys (Appointed 19 Feb 12)	8	8	3	3
Mr D Conry (Appointed 19 Feb 12)	8	8		
Ms C Cornish (Appointed 19 Feb 12)	8	6		
Audit and Risk Management Committee members **				
Mr B Buchner			4	3
Mr G Thatcher			4	4
Mr F Martin			4	4
Mr J Bills			4	3
Mr N Crethar			4	3
Mr P Ciereszko			4	4
Company Secretary				
Mr F Mukhtar	8	8	4	4

***** Reflects the number of meetings held during the time the Director or Committee member held office during the year in which they were eligible to attend.*
***** The Audit and Risk Management Committee includes members of the Board and members drawn from the greater membership base.***

Directors' **profiles**

Grant Dearlove FAIM

Chairman

Grant Dearlove is a Lawyer and Company Director. Across his career Grant has owned, worked for, and consulted to Professional Service firms in disciplines spanning property, franchising, risk, insurance, M&A, funds management, and legal.

Grant has held the positions of Managing Director of Colliers International Residential for Australia, Managing Director of PRDnationwide, and CEO of Verifact. He is currently the National Special Practice Areas Partner with Shine Lawyers. Grant is also a Non-executive Director of Oliver Hume Australia (Australia's leading residential property agency), Chairman of Oliver Hume SEQ, Chairman of Oliver Hume Apartments Victoria and Deputy Chairman of Invest Logan (the economic development arm of the Logan City Council). He is also a Non-executive Director of the Countrywide and Sunshine Co-operative Housing Societies, the Sunshine Coast Health Network (Medicare Local) and leading boutique executive recruitment company Arete Executive. He was formerly a Non-executive Director of Sunshine Coast Destination Limited (Sunshine Coast Tourism), National Director of Colliers International and related companies, and Partner with McInnes Wilson Lawyers.

Grant has a Bachelor of Laws, a Master of Laws, a Master of Business Administration, and a Graduate Diploma in Applied Corporate Governance. He is a Fellow of the Australian Institute of Management. He has spent his life in the Professional Services arena and studied leadership of professional service organisations at Harvard University.

Julie Boyd FAIM

Deputy Chair

Julie Boyd was elected as the first female Mayor of the City of Mackay and retained that role for 11 years from 1997 to 2008. She was involved in Local Government for 16 years.

Julie originally trained as a Registered Nurse having completed her studies in Brisbane at the Mater Hospital and undertook Midwifery studies in Scotland. She studied Politics, South East Asian Religions and History at the University of Queensland prior to travelling overseas.

In 2008 she became the Queensland Government Special Trade Representative to Japan, Republic of Korea and the Philippines. In 2010 she became the Special Trade Representative for Queensland to Africa. Julie chairs several Boards and does consulting work in the area of leadership and governance. Julie is a Fellow of the Australian Institute of Management and a Graduate of the Australian Institute of Company Directors.

Michael O'Hagan FAIM

Director

Mike O'Hagan is well-known as one of Queensland's most innovative entrepreneurs. Twenty-six years ago he pioneered a unique business in short distance residential removals, MiniMovers, with operations in Brisbane, Gold Coast, Sydney, Melbourne, Adelaide and Perth. Mike remains the sole owner of MiniMovers.

Mike has also served as a Director of the Heart Research Institute Association (Qld) and for many years was a member of the Small Business Advisory Panel to the Governor of the Reserve Bank of Australia. He was a Commissioner for the Australian Fair Pay Commission charged with the responsibility of setting all the minimum wages in Australia.

Mike is a Fellow of the Australian Institute of Management and a Fellow of the Australian Institute of Company Directors. Mike also sits on a range of other boards including TheCyberInstitute Pty Limited.

Bob Bishop FAIM

Director

Bob Bishop has been in the telecommunications industry for over 45 years and is owner/CEO of TTGroup Communications, the largest privately owned telecommunications company in Queensland, established in 1992.

Previously Bob spent 10 years with PMG/Telecom, first as a Technician, then as a Senior Telecommunications Consultant, 9 years as State Manager of STC (now Alcatel) and 7 years as State Manager of Ericsson Australia.

Bob has completed communications study tours of Austria, Vietnam, USA, Singapore, Israel and New Zealand.

Bob is President of the Australia Israel Chamber of Commerce (Qld) and joined a trade mission to Israel led by the Hon Alan Stockdale. He is a Board Member of the Brisbane Polo Club and Past Chairman of the Queensland Government Bayside Health Community Council looking after the Redlands Hospital, Wynnum Hospital, Moreton Bay Nursing Care Unit and the Bay Islands. He sits on the Lord Mayor's Multicultural Round Table in Brisbane and is a founding Board Director of Sheldon College and the Sheldon College Foundation. Bob is the Chairman of the TheCyberInstitute Pty Limited Board and a Fellow of the Australian Institute of Management.

John Cotter FAIM

Director

John Cotter founded the Flinders Group which is involved in project investment and development across the resources, infrastructure and property sectors. He is leading advisor to ASX, private, government and Qango capital project development teams.
John is the current Chairman (Executive Director) of the Flinders Group of Companies, Non-executive Director of MDO Property and a member of the Board of the Urban Development Institute of Australia. He sits on the Future Directions Committee of the Royal National Agricultural Association (RNA) and the Industry Engagement Committee. He is a Committee member of the Nudgee Old Boys' Association and a lecturer at Queensland University of Technology. John has a Bachelor of Town & Regional Planning, and is completing his Master of Business Administration. He is a Fellow of the Australian Institute of Management and a Member of the Australian Institute of Company Directors.

Rolanda Ayling AFAIM

Director

Rolanda Ayling has held a number of senior executive roles in the field of human resource management. Having started her career in North America, she has experience across a wide cross section of industries which include hotels, casinos, diverse retail, FMCG and insurance. In Australia, Rolanda has worked for organisations such as Conrad Jupiters Casino, Coca Cola Amital, and RACQ Insurance.

Over the last 20 years, Rolanda has overseen a significant number of change initiatives that support increased business performance and sustainability, in alignment with broader organisational strategy. Rolanda brings a broad international approach to best practice human resource management, specialising in areas such as organisational change, recruitment and retention, remuneration, industrial relations, and health and safety.

Rolanda is an Associate Fellow of the Australian Institute of Management and a Member of the Australian Institute of Company Directors.

Richard Boys FAIM

Director

Richard Boys is a management consultant and former Chief Financial Officer of CS Energy Limited, a Queensland Government Owned Corporation and a major provider of electricity to the national electricity market.

Richard has over 30 years of experience in senior management roles in the energy, mining and resource sectors and has been a Director of the Spinal Injuries Association of Queensland since 2007. In this capacity he also chairs the association's Audit and Finance Committee.

In his role as the Chief Financial Officer at CS Energy Richard was a Director of a number of subsidiary and joint venture companies involved in coal mining and electricity generation operations throughout the State.

Richard holds a Bachelor of Commerce Degree and a Master of Business Administration. He has extensive experience in the areas of financial management, corporate governance and Government relations.

Richard is the Chairman of the AIM Audit and Risk Management Committee, Director of TheCyberInstitute Pty Limited and a Fellow of the Australian Institute of Management.

David Conry FAIM

Director

David Conry was named Queensland's Australian of the Year 2007 for his work in co-founding Youngcare. For this work, amongst several awards, he was also named the Ernst and Young Social Entrepreneur in 2009.

David is the Executive Director of Damarcon that has interests in Corporate Advisory, Mining Services and Student Services. He has previously held senior executive sales and marketing roles in Sydney, Melbourne and Brisbane for media organisations and the retail travel industry.

David holds several Commonwealth and State authority board roles as well as private sector non-executive positions and advisory board roles.

David is a Fellow of the Australian Institute of Management.

Christine Cornish FAIM

Director

Christine Cornish has more than 20 years' experience in management consulting, e-commerce and advanced technology management. She commenced her career as a software engineer working for the State Government Computer Centre. After establishing a successful information technology and telecommunications consulting company, she sold this business to a global professional services firm. This experience led to her appointment to senior positions within the management consulting divisions of both KPMG and Deloitte Touche Tohmatsu. Christine was then employed in an executive position with the world's largest aerospace company.

In her consulting career, Christine has been involved in all facets of organisational development including business strategy and organisational reviews, restructuring, recruitment of permanent and contract staff, outsourcing of key functions, change management and transition to shared services arrangements.

For the past 10 years Christine has undertaken program development planning for clients which has required her to guide and support management on both a tactical and strategic level. She has gained substantial knowledge and experience in contemporary public administration and public sector human resource principles and practices. She has also undertaken major project economic evaluations and has prepared business cases for both State and Federal Governments.

Christine has assisted in the preparation of cabinet submissions and formal presentations to State and Federal Ministers, Directors-General, Treasury officials and departmental staff. Christine has been a Director of the Bushell & Cornish Group since 1999. She is a Fellow of the Australian Institute of Management.

Operating and **financial review**

Principal activities

The principal activities of the Company and its subsidiary are to provide a professional association for managers and to conduct management development activities and consulting. There was no significant change during the year in the principal activities of the Company.

Results for the year

The consolidated profit for the Company before providing for income tax was $1,507,360 (2011: $3,015,118).

Dividends

Under the Company's Constitution no dividends may be paid.

Review of operations

As the peak professional association for managers, the Company offers both personal and corporate membership. Services offered meet members' needs for career development, resource access, professional recognition and networking opportunities.

The Company and its subsidiaries provide a broad range of management development programs and consulting services to enhance the professional development of managers and organisations. These include Vocational Education and Training sector qualifications, non-accredited programs, core induction training in the resources sector, project management and postgraduate qualifications in the higher education sector.

The Company continues to support the development of management and leadership capability in the broader community through the provision of career development advice, the AIM Excellence Awards and through the awarding of scholarships for professional development from the AIM Graduate School.

Management and the Board monitor the Company's overall performance, from implementation of the strategic plan through to the performance of the Company against operating plans and financial budgets.

State of affairs

The Company's fully owned subsidiary, TheCyberInstitute Pty Limited provides its learning management system (LMS) hosting and content development services predominantly to the resources sector organisations. In the second half of 2012, mining sector clients put a hold on various major projects resulting in a significant short term impact on its overall business.The business suffered a net loss of $609,104 in 2012.

TheCyberInstitute will continue to offer a balanced range of online education services. The Directors of TheCyberInstitute believe that market conditions have stabilised and that adjustment to the staffing, product and client mix will see the business recover and deliver a trading profit for full year 2013.

In 2012, LeaderSpace Limited (LeaderSpace), a fully owned subsidiary of the Company, commenced its operations. Three business units of the Company - Management Books, Management Diagnostics and Management Press - were transferred to LeaderSpace. These business units have national and international footprints.

LeaderSpace is a not-for-profit entity and is a public company limited by guarantee. The Directors of the Company are also the Directors of LeaderSpace.

Other than TheCyberInstitute's performance and commencement of LeaderSpace operations, there has been no significant change in the state of affairs of the Company during the financial year under review not otherwise disclosed in this report or in the consolidated financial report.

One National AIM

The Australian Institute of Management is a federated structure. There are five divisions: AIM Qld & NT, AIM NSW & ACT, AIM Vic & Tas, AIM SA and AIM WA. Each division has its own constitution, membership, governance structure, assets, infrastructure products and services. Each of these five divisions is a member of AIM National.

In July 2012, the AIM National Board resolved to investigate prospects to form one national entity through consolidation of the existing five divisions. The Company is participating in working towards this initiative and this may result in changes to the current structure in the coming year.

Short and long term objectives and strategies to achieve the objectives

Through a cluster of interrelated business units and subsidiaries, the Company provides learning, publishing and information services to the leadership and management markets. In doing so the Company will:

a. Develop, support, promote and practise the profession of management at all levels
b. Become Australian managers' career partner of first choice

c. Undertake commercially viable endeavours in the management and leadership space to support its not-for-profit mission and objects and for the benefits of members
d. Grow the business to sufficient critical mass to achieve significant reserves and the ability to acquire other entities that can further the not-for-profit work of the Company
e. Ensure benefits derived from all activities of all entities are directed to the benefit of members and the objects described in the AIM Constitution

The long term high level objectives of the Company are:

a. Leverage the membership strategy to realise 400 additional professional members (net) through retaining current members, extending benefits, developing the younger manager demographic and rolling out the AIMe affiliate grade
b. Invest in supporting managers across regional Queensland and the Northern Territory through learning experiences and training that combine face to face and technological interaction
c. Further develop a share of the voice in the management space through targeted and measurable research, advocacy and public relations built on the positioning statement "Better Managers and Better Leaders for a Better Society"
d. Deploy updated curriculum, technologies and social media to position accredited and non-accredited corporate, public and online training, events and learning experiences as providing the "Professional Edge"
e. Position LeaderSpace to provide workforce development solutions by leveraging mining induction and compliance capability to secure an additional major multiyear contract
f. Substantially upgrade digital competencies and IT infrastructure to become faster and more agile in the digital marketplace through better coordination of its IT as a strategic asset.

Performance measures

The Company measures its performance against the Board approved Five Pillar Strategies – Member Serving, Region Serving, Profession Serving, Career Serving and Future Serving. Each pillar has its own financial and operational charter that is monitored and reviewed regularly to ensure it is aligned with the Company's objectives. The number of training sessions delivered, membership movement and cash reserves of the Company are the key performance indicators.

Significant post balance date events

There has been no matter or circumstance that has significantly affected or may significantly affect:

a. The operations;
b. The results of those operations; or
c. The state of affairs of AIM Qld & NT.

Review of financial conditions

The consolidated statement of cash flows illustrates that there was an increase in cash and cash equivalents in the year ended 31 December 2012 of $2,382,323 (2011: increase of $231,135).

Directors' and officers' insurance

Since the end of the previous financial year the Company has paid insurance premiums in respect of Directors' and Officers' liability insurance contracts, for current and former Directors and Officers, including executive Officers of the Company. The insurance coverage relates to:

a. Costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome; and
b. Other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

The insurance policies outlined above do not contain details of the premiums paid in respect of individual Officers of the Company.

Members' liability

The Australian Institute of Management - Qld & NT is a company limited by guarantee and each of the 3,648 (2011: 3,566) personal members of the Company guarantees its liabilities to the extent of $2.00 per member.

Auditor independence and non-audit services

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

BDO

Tel: +61 2 9251 4100
Fax: +61 2 9240 9821
www.bdo.com.au

Level 10, 1 Margaret St
Sydney NSW 2000
Australia

DECLARATION OF INDEPENDENCE BY A S LOOTS TO THE DIRECTORS OF AUSTRALIAN INSTITUTE OF MANAGEMENT - QLD & NT

As lead auditor of Australian Institute of Management - QLD & NT for the year ended 31 December 2012, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

A S Loots

Partner

BDO East Coast Partnership

Brisbane, 26 February 2013

Non-audit services

The following non-audit services were provided by the entity's auditor, BDO East Coast Partnership (BDO) (formerly known as PKF East Coast Practice). Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The nature and scope of non-audit services provided means that auditor independence was not compromised.

BDO received or are due to receive the following amounts for the provision of non-audit services:

	31 December 2012 Aus $	31 December 2011 Aus $
Accounting and tax advice	2,973	6,500
Accounting advice – BMA Project	-	2,125
Assurance report – register of proxies (General meeting)	1,729	2,761
Total non-audit services	**4,702**	**11,386**

This report is made and signed in accordance with a resolution of Directors.

Grant Dearlove FAIM, Chair
Brisbane, 26 February 2013

Julie Boyd FAIM, Director
Brisbane, 26 February 2013

Financial **report**

Consolidated statement of **financial position**

As at 31 December 2012

	Note	31 December 2012 Aus $	31 December 2011 Aus $
ASSETS			
Current assets			
Cash and cash equivalents	8	5,181,912	2,799,589
Trade and other receivables	9	1,946,824	3,006,113
Inventories	10	57,485	79,069
Other current assets	11	574,012	524,025
Total current assets		**7,760,233**	**6,408,796**
Non-current assets			
Property, plant and equipment	12	10,642,778	10,821,860
Deferred tax	7(b)	17,369	25,680
Total non-current assets		**10,660,147**	**10,847,540**
TOTAL ASSETS		**18,420,380**	**17,256,336**
LIABILITIES			
Current liabilities			
Trade and other payables	14	2,834,619	2,022,210
Employee benefits	15	358,211	290,554
Income tax	7(c)	17,369	42,148
Unearned subscription revenue	16	601,119	601,301
Unearned training revenue	16	684,333	665,307
Total current liabilities		**4,495,651**	**3,621,520**
Non-current liabilities			
Employee benefits	15	86,154	68,227
Total non-current liabilities		**86,154**	**68,227**
TOTAL LIABILITIES		**4,581,805**	**3,689,747**
NET ASSETS		**13,838,575**	**13,566,589**
MEMBERS' FUNDS			
Members' accumulated funds	17	12,141,073	10,633,713
Reserves	17	1,697,502	2,932,876
TOTAL MEMBERS' FUNDS		**13,838,575**	**13,566,589**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

The financial information of the parent entity is summarised under note 23.

Consolidated statement of **comprehensive income**

For the year ended 31 December 2012

	Note	31 December 2012 Aus $	31 December 2011 Aus $
Membership fees	4	2,668,118	2,845,176
Sales of goods and services	4	22,895,923	17,928,034
Interest income		170,015	99,705
Revenue		**25,734,056**	**20,872,915**
Direct cost of membership fees	5	(1,621,865)	(1,549,349)
Direct cost of goods and services sold	5	(6,012,486)	(5,916,007)
Gross profit		**18,099,705**	**13,407,559**
Personnel costs	6(a)	(10,308,769)	(6,560,977)
Depreciation and amortisation	6(b)	(2,065,526)	(941,582)
Other controllable and overhead expenses	6(c)	(4,218,050)	(2,889,882)
Profit* before income tax		**1,507,360**	**3,015,118**
Income tax expense	7(a)	–	(16,468)
Profit after income tax		**1,507,360**	**2,998,650**
Other comprehensive income			
Fair value revaluation of land and buildings	12(b)	(1,235,374)	402,190
Total comprehensive income for the year		**271,986**	**3,400,840**
Profit for the year is attributable to:			
Members		1,507,360	2,998,650
		1,507,360	**2,998,650**
Total comprehensive income for the year is attributable to:			
Members		271,986	3,400,840
		271,986	**3,400,840**

*** The word "profit" has been used instead of "surplus" as the subsidiary of the Company, TheCyberInstitute, is a taxable entity as at the reporting date.**

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Consolidated statement of **changes in Members' fund**

For the year ended 31 December 2012

	Note	Accumulated Funds Aus $	Reserves Aus $	Total Aus $
As at 1 January 2012		10,633,713	2,932,876	13,566,589
Profit after tax for the year		1,507,360	–	1,507,360
Other comprehensive income				
Fair value revaluation of land and buildings	12(b)	–	(1,235,374)	(1,235,374)
Members' funds as at 31 December 2012		**12,141,073**	**1,697,502**	**13,838,575**
As at 1 January 2011		7,635,063	2,530,686	10,165,749
Profit after tax for the year		2,998,650	–	2,998,650
Other comprehensive income				
Fair value revaluation of land and buildings	12(b)	–	402,190	402,190
Members' funds as at 31 December 2011		**10,633,713**	**2,932,876**	**13,566,589**

The above consolidated statement of changes in Members' funds should be read in conjunction with the attached notes.

Consolidated statement of **cash flows**

For the year ended 31 December 2012

	Note	31 December 2012 Aus $	31 December 2011 Aus $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		28,401,718	21,288,278
Payments to suppliers and employees (inclusive of GST)		(22,796,207)	(17,879,438)
Interest received		170,015	99,705
Goods and services tax recovered		(271,385)	178,854
Net cash flow from operating activities	22(b)	**5,504,141**	**3,687,399**
Cash flows from investing activities			
Purchase of property, plant and equipment		(3,121,818)	(3,456,264)
Net cash flow from investing activities	12(c)	**(3,121,818)**	**(3,456,264)**
Net increase / (decrease) in cash held		**2,382,323**	**231,135**
Cash at the beginning of the financial year		2,799,589	2,568,454
Cash at the end of the financial year	22(a)	**5,181,912**	**2,799,589**

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the **consolidated financial statements**

For the year ended 31 December 2012

Note 2: Corporate Information

The Australian Institute of Management - Qld & NT is a not-for-profit company limited by guarantee, incorporated in Australia under the Corporations Act 2001 and domiciled in Brisbane. Each of the 3,648 (2011: 3,566) personal members of the Company guarantees its liabilities to the extent of $2.00 per member.

The Company's registered office and principal place of business is at Management House 369 Boundary Street Spring Hill Qld 4000.

The Company has two fully owned subsidiaries, TheCyberInstitute Pty Limited and LeaderSpace Limited. Both entities were incorporated in Australia under the Corporations Act 2001 and are domiciled in Australia.

TheCyberInstitute Pty Limited's registered office is at Management House 369 Boundary Street Spring Hill Qld 4000 and its principal place of business is at 79 St Pauls Terrace Spring Hill Qld 4000.

LeaderSpace Limited's registered office and principal place of business is at Management House 369 Boundary Street Spring Hill Qld 4000.

The consolidated financial report of the Australian Institute of Management - Qld & NT for the year ended 31 December 2012 was authorised for issue in accordance with a resolution of the Directors dated 26 February 2013. The nature of the operations and principal activities of the Company are described in the Directors' report.

Note 2: Summary of significant accounting policies

(a) Basis of preparation

The consolidated financial report of the Company is a general purpose financial report which has been prepared in accordance with the current requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. The consolidated financial report has also been prepared on a historical cost basis except for land and buildings, which have been measured at fair value. The financial report is presented in Australian dollars and all values have been rounded to the nearest dollar.

(b) Compliance with IFRS

The financial report complies with International Financial Reporting Standards (IFRS) in accordance with AASB 101: Presentation of Financial Statements.

(c) New accounting standards and interpretations

The company has adopted all of the new, revised or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) in previous years that are mandatory for adoption in the current reporting period.

Any significant impact on the accounting policies of the company from the adoption of these Accounting Standards and Interpretations are disclosed in the relevant accounting policy. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

(i) Changes in accounting policies and disclosures

The accounting policies adopted are consistent with those of the previous financial year.

(ii) Accounting standards and interpretations issued but not yet effective

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 31 December 2012. These are outlined below.

AASB 9 Financial Instruments, 2009-11

Amendments to Australian Accounting Standards arising from AASB 9 and 2010-7 Amendments to Australian Accounting Standards arising from AASB 9

This standard and its consequential amendments are applicable to annual reporting periods beginning on or after 1 January 2013 and completes phase I of the IASB's project to replace IAS 39 (being the international equivalent to AASB 139 'Financial Instruments: Recognition and Measurement').

This standard introduces new classification and measurement models for financial assets, using a single approach to determine whether a financial asset is measured at amortised cost or fair value. To be classified and measured at amortised cost, assets must satisfy the business model test for managing the financial assets and have certain contractual cash flow characteristics. All other financial instrument assets are to be classified and measured at fair value.

This standard allows an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income, with dividends as a return on these investments being recognised in profit or loss. In addition, those equity instruments measured at fair value through other comprehensive income would no longer have to apply any impairment requirements nor would there be any 'recycling' of gains or losses through profit or loss on disposal. The accounting for financial liabilities continues to be classified and measured in accordance with AASB 139, with one exception, being that the portion of a change of fair value relating to the entity's own credit risk is to be presented in other comprehensive income unless it would create an accounting mismatch. The Company is yet to make an assessment as to the likely impact of this standard in the initial period of adoption.

Issue date: July 2011 Operative date: January 2013

AASB 13 - Fair Value Measurement

This standard, which is applicable to annual reporting periods beginning on or after 1 January 2013, defines fair value and sets out in a single Australian Accounting Standard a framework for measuring fair value, which is defined in such a way so as to emphasise that fair value is a market-based measurement, not an entity-specific measurement. The application of this standard from 1 January 2013 is not expected to have a material impact on the Company.

Issue date: July 2011 Operative date: January 2013

AASB 119 Employee Benefits (September 2011) and AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011)

This revised standard and its consequential amendments are applicable to annual reporting periods beginning on or after 1 January 2013. The amendments make changes to the accounting for defined benefit plans and the definition of short-term employee benefits, from 'due to' to 'expected to' be settled within 12 months. The later will require annual leave that is not expected to be wholly settled within 12 months to be discounted allowing for expected salary levels in the future period when the leave is expected to be taken. The adoption of the revised standard from 1 January 2013 is expected to reduce the reported annual leave liability of the company.

Issue date: September 2011 Operative date: January 2013

AASB 2011-9 Amendments to Australian Accounting Standards - Presentation of Items of Other Comprehensive Income

These amendments are applicable to annual reporting periods beginning on or after 1 July 2012. The amendments requires grouping together of items within other comprehensive income on the basis of whether they will eventually be 'recycled' to the profit or loss (reclassification adjustments). The change provides clarity about the nature of items presented as other comprehensive income and the related tax presentation. The adoption of the revised standard from 1 January 2013 will impact the company's presentation of its statement of comprehensive income.

Issue date: September 2011 Operative date: January 2013

AASB 10 - Consolidated Financial Statements

This standard replaces the part of IAS 27: 'Consolidated and Separated Financial Statements' and is applicable for the annual period beginning 1 January 2013. This new standard introduces a new definition of control that determines which entities are consolidated. This new definition of control may potentially lead to the consolidation of entities that were not previously included in the Consolidated Entity resulting in more assets and liabilities on the books. The application of this standard from 1 January 2013 is not expected to impact upon the composition of the consolidated entity.

Issue date: July 2011 Operative date: January 2013

AASB 12 - Disclosure of Interest in Other Entities

This standard is applicable for annual reporting periods beginning on or after 1 January 2013. This standard clarifies the disclosure requirements for all forms of interests in other entities including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. The application of this standard from 1 January 2013 is not expected to have a material impact on the consolidated entity.

Issue date: July 2011 Operative date: January 2013

AASB 2010-2 - Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements

This Standard gives effect to Australian Accounting Standards – Reduced Disclosure Requirements. AASB 1053 provides further information regarding the differential reporting framework and the two tiers of reporting requirements for preparing general purpose financial statements. The impact of these amendments is unknown.

Issue date: June 2010 Operative date: July 2013

AASB 1053 - Application of Tiers of Australian Accounting Standards

This Standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements:

a. Tier 1: Australian Accounting Standards; and
b. Tier 2: Australian Accounting Standards – Reduced Disclosure

Tier 2 comprises the recognition, measurement and presentation requirements of Tier 1 and substantially reduced disclosures corresponding to those requirements.

The following entities apply Tier 1 requirements in preparing general purpose financial statements:

a. for-profit entities in the private sector that have public accountability (as defined in this Standard); and
b. the Australian Government and State, Territory and Local Governments.

The following entities apply either Tier 2 or Tier 1 requirements in preparing general purpose financial statements:

a. for-profit private sector entities that do not have public accountability;
b. all not-for-profit private sector entities; and
c. public sector entities other than the Australian Government and State, Territory and Local Governments.

The Company has not applied Tier 2 requirements while preparing its financial statements for the year ended 31 December 2012.

Issue date: June 2010 Operative date: July 2013

(d) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Australian Institute of Management - Qld & NT (the parent entity) and its subsidiaries TheCyberInstitute Pty Limited and LeaderSpace Limited as at 31 December each year.

Information from the financial statements of subsidiaries is included from the date the parent entity obtains control until such time as control ceases. Where there is a loss of control of a subsidiary, the consolidated financial statements include the results for the part of the reporting period during which the parent entity has control.

Subsidiary acquisitions are accounted for using the purchase method of accounting.

The financial statements of subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies. All intercompany balances and transactions, including unrealised profits arising from intra-group transactions, have been eliminated in full. Unrealised losses are eliminated unless costs cannot be recovered (refer to note: 13).

(e) Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included within interest-bearing loans and borrowings in current liabilities on the consolidated statement of financial position.

(f) Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If an indication of impairment exists, an estimate of the assets recoverable amount is calculated.

An impairment loss is recognised for the amount by which the assets' carrying amount exceeds its recoverable amount. Any deficit of the asset's carrying value over its recoverable amount is expensed to the consolidated statement of comprehensive income. Where an impairment loss on a revalued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

(g) Trade and other receivables

Trade receivables are recognised at fair value less an allowance for impairment.

Collectability of trade receivables is reviewed on an ongoing basis by the Company. Individual debts that are known to be uncollectible are written off when identified. An impairment provision is recognised when there is objective evidence that the Company will not be able to collect the receivable.

(h) Inventories

Inventories comprise finished goods for sale and are valued at the lower of cost and net realisable value. The cost of bringing inventories to their present location and condition is calculated as a weighted average purchase price.

(i) Property, plant and equipment

Freehold land and buildings on freehold land are measured at fair value based on periodic valuations by external independent Valuers less any accumulated depreciation on buildings and any recognised impairment losses after the date of valuation. At the consolidated statement of financial position date, the value of each asset in these classes is reviewed to ensure that it does not differ materially from the asset's fair value at 8 October 2012 (external valuation report date). Where necessary, the asset is revalued to reflect its fair value.

No allowance is made in the revaluations for any potential impact of Capital Gains Tax.

Any revaluation increment is credited to the asset revaluation reserve included in equity, except to the extent that it reverses a revaluation decrement for the same class of asset previously recognised in profit or loss, in which case the increment is recognised in the statement of comprehensive income.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

All other classes of property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses. The assets residual values, useful lives and amortisation methods are reviewed and adjusted if appropriate, at each financial year end.

(j) Depreciation

Depreciation is calculated on a straight line basis over the estimated useful life of the specific asset. The rate of depreciation is applied to the cost or, where applicable, to the revalued amount so as to write down the assets over their useful lives.

Depreciation on the amount spent on leasehold improvements and purchasing furniture and equipment for various AIM Induction Training Centres in Queensland except the Induction Training Centre in Rockhampton is calculated on a straight line basis over a period in line with the initial term of the BMA project agreement i.e. from the date of purchase to 30 June 2014.

Depreciation on the amount spent on leasehold improvements and purchasing furniture and equipment for the Induction Training Centre in Rockhampton is calculated on straight line basis over a period in line with the initial term of lease agreement which expires in September 2014.

The major depreciation periods are:	2012	2011
Land	Not depreciated	Not depreciated
Buildings	40 years	100 years
Leasehold improvements	Up to 3 years	Up to 3 years
Furniture and equipment	3 - 10 years	3 - 10 years
Course notes	3 years	3 years
Library books	4 years	4 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date. On recommendation of the Company's auditors, the Directors reviewed the useful life of the AIM buildings and resolved to depreciate AIM buildings over a period of 40 year effective 1 January 2012. These were previously depreciated over a period of 100 years.

(k) Employee benefits

Provision is made for employee entitlements accrued as a result of services rendered up to the balance date. These entitlements include annual and long service leave.

Liabilities for these entitlements expected to be settled within 12 months of the balance date are measured at their nominal amounts. Other entitlements are measured at the present value of the likely future cash flows, taking into account the probability of the payments being made.

Superannuation contributions for employees are charged as an expense when incurred.

(l) Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of goods and services already provided.

Payables to related parties are carried at the principal amount. Interest, when charged by the lender, is recognised as an expense on an accrual basis.

(m) Leases

Finance leases are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of minimum lease payments. Finance charges are recognised as an expense in the statement of comprehensive income.

Capitalised lease assets are depreciated over the shorter of the estimated useful life of the asset and the lease term. Operating lease payments are recognised as an expense in the consolidated statement of comprehensive income on a straight line basis over the lease term.

(n) Income Tax

The Australian Institute of Management - Qld & NT and its fully owned subsidiary LeaderSpace Limited are exempt from income tax under the provisions of Section 50-5 of the Income Tax Assessment Act (1997) as a Public Educational Institution.

The Company's fully owned subsidiary TheCyberInstitute Pty Limited is a taxable entity.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

(o) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- Where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated statement of financial position.

Cash flows are included in the consolidated statement of cash flows on a gross basis and the GST component of the cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(p) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the consolidated statement of financial position date using a discounted cash flow methodology. If the effect of the time value of money is material, provisions are discounted using a rate that reflects the time value of money and the risks specific to the liability.

(q) Revenue recognition

Revenue is recognised as follows:

- Membership subscriptions are taken to income in equal monthly amounts spread over the subscription year
- Training and other revenue is taken to income when the Company has delivered the service or transferred title in the goods to the customer and the income can be reliably measured
- Interest is recognised using the effective interest method

The unearned portion of revenues billed or received is carried forward to future periods as a current liability.

(r) Foreign currency translation

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the consolidated statement of financial position date.

(s) Significant accounting judgements, estimates and assumptions

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the consolidated financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions.

Management has identified the following critical accounting policies for which significant judgements, estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may affect financial results or the financial position reported in future periods. Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements.

Significant accounting judgements

Impairment of non-financial assets: The Company assesses impairment of all assets at each balance date by evaluating conditions specific to the Company and to the particular asset that may lead to impairment. These include product performance, technology, economic and political environments and future product expectations. If an impairment trigger exists the recoverable amount of the asset is determined.

Significant accounting estimates and assumptions

Estimation of useful lives: The estimation of the useful lives of assets has been based on historical experience as well as manufacturers' warranties (for plant and equipment), turnover policies (for motor vehicles) and industry benchmark for buildings. Adjustments to useful lives are made when considered necessary.

Note 3: Financial risk management objectives and policies

The Company's principal financial instruments comprise receivables, payables, cash and short-term deposits. The Company manages its exposure to key financial risks in accordance with the AIM Risk Management Framework. The objective of the Framework is to support the delivery of the Company's financial targets while protecting future financial security.

The main risks arising from the Company's financial instruments are credit risk and liquidity risk. The Company uses different methods to measure and manage different types of risks to which it is exposed.

These include ageing analyses and monitoring of specific credit allowances undertaken to manage credit risk. Liquidity risk is monitored through the development of future rolling cash flow forecasts. The Board reviews and agrees policies for managing each of these risks.

(a) Credit risk

Credit risk arises from the financial assets of the Company, which comprise cash and cash equivalents, trade and other receivables. The Company's exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. Exposure at balance date is addressed in each applicable note.

The Company trades only with recognised, creditworthy third parties, and as such collateral is not requested nor is it the Company's policy to securitise its trade and other receivables. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures including an assessment of their independent credit rating, financial position, past experience and industry reputation.

In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant. There are no significant concentrations of credit risk within the Company.

(b) Liquidity risk

Liquidity risk arises from the timing differences between cash inflows and cash outflows. The Company's objective is to maintain a balance between continuity of funding and flexibility. The Board has in place working capital and reinvestment targets and regularly monitors forward cash flow forecasts.

(c) Maturity analysis of financial assets and liability based on management's expectation

The risk implied from the values shown in the table below, reflects a balanced view of cash inflows and outflows. Leasing obligations, trade payables and other financial liabilities mainly originate from financing of assets used in the Company's ongoing operations such as plant and equipment and trade receivables. To manage the associated risk, the Company has in place effective controls to monitor settlement of financial assets and liabilities.

Consolidated Year ended 31 December 2012	< 6 Months Aus $	6 - 12 Months Aus $	1 - 5 Years Aus $	Total Aus $
Financial assets				
Cash and cash equivalents	5,181,912	–	–	5,181,912
Trade and other receivables	1,946,824	–	–	1,946,824
	7,128,736	**–**	**–**	**7,128,736**
Financial liabilities				
Trade and other payables	2,834,619	–	–	2,834,619
	2,834,619	**–**	**–**	**2,834,619**
Net maturity	**4,294,117**	**–**	**–**	**4,294,117**

Consolidated Year ended 31 December 2011	< 6 Months Aus $	6 - 12 Months Aus $	1 - 5 Years Aus $	Total Aus $
Financial assets				
Cash and cash equivalents	2,799,589	–	–	2,799,589
Trade and other receivables	**3,006,113**	**–**	**–**	**3,006,113**
	5,805,702	**–**	**-**	**5,805,702**
Financial liabilities				
Trade and other payables	2,022,210	–	–	2,022,210
	2,022,210	**–**	**–**	**2,022,210**
Net maturity	**3,783,492**	**–**	**–**	**3,783,492**

(d) Fair value

Due to short term nature of these financial assets and liabilities, their carrying amounts are assumed to approximate their fair values.

Note 4: Revenue

	31 December 2012 Aus $	31 December 2011 Aus $
Membership fees	2,668,118	2,845,176
Sales of goods and services	22,895,923	17,928,034
	25,564,041	**20,773,210**

Note 5: Direct cost

	31 December 2012 Aus $	31 December 2011 Aus $
Membership fees	1,621,865	1,549,349
Goods and services sold	6,012,486	5,916,007
	7,634,351	**7,465,356**

Note 6: Controllable and overhead expenses

6 (a) Personnel costs

	31 December 2012 Aus $	31 December 2011 Aus $
Personnel costs	10,308,769	6,560,977
	10,308,769	**6,560,977**

The personnel costs increased by 57% compared to last year. The Company and its subsidiaries made significant investment into its human resources in 2012. The Company increased the number of its regional support staff including a dedicated Public Relations and Media Manager to strengthen the Company' footprint in the regions and enhance its services to the Company's regional membership. The Company's subsidiary TheCyberInstitute increased the number of specialist technical and core development staff to manage the resource sector projects.

The BMA Core Induction Training Project commenced in June 2011. Full year BMA Core Induction Operations compared to seven months' operation in 2011 also contributed to the increase in the personnel costs in 2012.

6 (b) Depreciation and amortisation

	31 December 2012 Aus $	31 December 2011 Aus $
Buildings	146,139	46,977
Leasehold improvements	677,742	117,449
Furniture and equipment	1,013,608	574,401
Library	9,884	6,007
Course notes	218,153	196,748
	2,065,526	**941,582**

6 (c) Other controllable and overhead expenses

	31 December 2012 Aus $	31 December 2011 Aus $
Auditor's remuneration:		
External audit	38,704	35,926
Internal audit	4,702	11,386
	43,406	**47,312**
Bad debts written off	**1,410**	**–**
Amounts set aside to provisions		
Annual leave	68,490	80,386
Doubtful debts	–	(26,042)
Long service leave	17,094	(3,281)
	85,584	**51,063**
Rental – operating leases	**1,413,702**	**455,397**
Other controllable and overhead expenses	**2,673,948**	**2,336,110**
Sub total – other controllable and overhead expenses	**4,218,050**	**2,889,882**

Note: 7 Income tax

TheCyberInstitute Pty Limited

7 (a) Reconciliation of income tax expense /(benefit)	31 December 2012 Aus $	31 December 2011 Aus $
Profit before income tax for the period	(609,104)	204,954
Income tax expense/(benefit) for the year at 30%	**(182,731)**	**61,486**

Tax effect amounts which are not deductible/(taxable) in calculating taxable income:	31 December 2012 Aus $	31 December 2011 Aus $
Entertainment & sundry items	7,589	(17,872)
Decrease/(increase) in deferred tax assets	8,311	(25,680)
Adjustment for previously unrecognised tax losses utilised	–	(1,466)
Unrecognised deferred tax on loss for the year	166,831	–
Income tax expense/(benefit)	**–**	**16,468**

7 (b) Composition of deferred tax balances	31 December 2012 Aus $	31 December 2011 Aus $
Provision for employee benefits	33,846	27,907
Accrued expenses	24,050	8,861
Revenue received in advance	–	48,835
	57,896	**85,603**
Deferred tax asset recognised at 30%	**17,369**	**25,680**

7 (c) Provision for income tax	31 December 2012 Aus $	31 December 2011 Aus $
Current income tax expense/(benefit) on taxable profit/(loss) for the year	(175,142)	69,294
Movement in deferred tax assets	8,311	(25,680)
Adjustment for previously unrecognised tax losses utilised	–	(1,466)
Unrecognised deferred tax on loss for the year	166,831	–
	–	**42,148**

7 (d) Unrecognised deferred tax assets	31 December 2012 Aus $	31 December 2011 Aus $
Opening balance of unrecognised tax losses	–	1,466
Tax losses incurred during the period	556,103	(1,466)
Closing balance of unrecognised tax losses	556,103	–
Deferred tax asset recognised	**166,831**	**–**

Note 8: Cash and cash equivalents	Note	31 December 2012 Aus $	31 December 2011 Aus $
Cash at bank and in hand		74,401	801,784
Short-term deposits	8(a)	5,107,511	1,997,805
		5,181,912	**2,799,589**
Reconciliation to cash flow statement			
Cash at bank and in hand		5,181,912	2,799,589
Bank overdraft		–	–
Balance at end of year		**5,181,912**	**2,799,589**

8 (a) Short-term deposits

Short-term deposits include $300,000 invested in a term deposit secured against a bank guarantee issued to fulfil the requirements under Registered Training Organisation (RTO) Essential Standards for Continuing Registration - NVR Registered Training Organisations 2011. These Standards require RTOs to provide assurance against prepayments from students (or future students) for tuition to be provided by the RTOs to those students.

Note 9: Trade and other receivables

	31 December 2012 Aus $	31 December 2011 Aus $
Trade receivables	1,950,788	2,456,695
Debtors receipts to be allocated	(190,283)	(39,992)
Allowance for impairment loss	–	–
	1,760,505	2,416,703
Other debtors	186,319	589,410
Net receivables	**1,946,824**	**3,006,113**
Movement in provision for doubtful debts		
Balance at beginning of year	–	(26,042)
Bad debts written off	–	26,042
Doubtful debts provided for during the year	–	–
Balance at end of year	**–**	**–**

As at 31 December aging analysis of trade receivables is as follows:

Trade receivables – consolidated		**Book value**	
		31 December 2012 Aus $	**31 December 2011 Aus $**
	Days		
	0-30	428,247	1,250,801
	31-60	374,161	485,929
	61-90	383,561	400,023
	+91	764,819	319,942
	Total	**1,950,788**	**2,456,695**

Trade receivables – consolidated		**Impaired value**	
		31 December 2012 Aus $	**31 December 2011 Aus $**
	Days		
	0-30	428,247	1,250,801
	31-60	374,161	485,929
	61-90	383,561	400,023
	+91	764,819	319,942
	Total	**1,950,788**	**2,456,695**

The majority of the over 90 day accounts are due from mining companies who usually pay within 60 to 90 days. These accounts are overdue however they are acknowledged debts with no disputes.

Trade receivables

Trade receivables are non-interest bearing and are generally on 30 day terms. A provision for impairment loss is recognised when there is objective evidence that an individual trade receivable is impaired. Collectability of trade receivables is reviewed on an ongoing basis at an operating unit level. Individual debts that are known to be uncollectible are written off when identified. An impairment provision is recognised when there is objective evidence that the Company will not be able to collect the receivable. Financial difficulties of the debtor and default payments are considered objective evidence of impairment. The amount of the impairment loss is the receivable carrying amount compared to the present value of estimated future cash flows, discounted at the original effective interest rate.

Trade receivables past due and considered impaired for the financial year ended 31 December 2012 are $nil (2011: $nil).

Fair value and credit risk

Due to the short term nature of these receivables, their carrying value is assumed to approximate their fair value. The maximum exposure to credit risk is the fair value of receivables. Collateral is not held as security, nor is it the Company's policy to transfer (on-sell) receivables to special purpose entities.

Note 10: Inventories

	31 December 2012 Aus $	31 December 2011 Aus $
At cost – finished goods	82,999	104,766
Provision for slow moving stock	(25,514)	(25,697)
	57,485	**79,069**

Inventory recognised as expense for the year ended 31 December 2012 totalled $413,258 (2011: $609,284) for the Company. This expense has been included in direct cost of services. A provision for slow moving stock is recognised when there is objective evidence that an individual inventory item is impaired.

Note 11: Other current assets

	31 December 2012 Aus $	31 December 2011 Aus $
Advances and prepayments	574,012	524,025
	574,012	**524,025**

Advances and prepayments include $270,618 paid as rent in advance for Rockhampton Induction Training Centre (2011: $156,630 paid in advance to build temporary demountable training space in Moranbah).

Note 12: Property, plant and equipment

	31 December 2012 Aus $	31 December 2011 Aus $
Freehold land		
At Directors' valuation 31 Dec 2011	–	2,100,000
At Directors' valuation 31 Dec 2012	2,100,000	–
	2,100,000	**2,100,000**
Buildings on freehold land		
At Directors' valuation 31 Dec 2011	–	5,365,000
At Directors' valuation 31 Dec 2012	4,960,000	–
	4,960,000	**5,365,000**
Leasehold improvements		
At cost	1,911,978	1,176,827
Accumulated depreciation	(795,191)	(117,449)
	1,116,787	**1,059,378**
Furniture and equipment		
At cost	5,495,796	4,313,094
Accumulated depreciation	(3,385,202)	(2,371,594)
	2,110,594	**1,941,500**
Library books		
At cost	204,895	192,175
Accumulated depreciation	(175,029)	(165,145)
	29,866	**27,030**
Course notes		
At cost	1,484,782	1,270,050
Accumulated depreciation	(1,159,251)	(941,098)
	325,531	**328,952**
Total property, plant and equipment		
At valuation	7,060,000	7,465,000
At cost	9,097,451	6,952,146
	16,157,451	**14,417,146**
Accumulated depreciation	(5,514,673)	(3,595,286)
	10,642,778	**10,821,860**

(a) Assets pledged as security

The freehold land and buildings valued at $7,060,000 (2011: $7,465,000), are subject to a registered mortgage bond as security over banking facilities of $1,700,000 (2011: $3,300,000) which includes $100,000 provided to the Company's subsidiary, TheCyberInstitute Pty Limited (2011: $100,000) (refer to note: 20). The terms of the first mortgage precludes the assets being sold or being used as security for further mortgages without the permission of the first mortgage holder.

(b) Valuations

The fair values of freehold land and buildings at 31 December 2012 have been determined by reference to a Directors' valuation, based upon an independent valuation as at 8 October 2012. Such valuations are performed on an open market basis, being the amounts for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction at the valuation date.

The current year's independent valuation of land and buildings was performed by LandMark White Brisbane Pty Limited (2011: Blocksidge & Ferguson Limited). In 2012, major renovations were carried out to the interior of the AIM Management House Spring Hill building. The main reception area, bookshop and training rooms were completely refurbished. Despite significant investment in building improvements, the net fair value of land and buildings decreased by $1,235,374 (2011: increased by $402,190).

This includes no change in the value of land (2011: decreased by $200,000) and decrease in the written down value of building improvements for both AIM Robina office and AIM Management House by $1,235,374 (2011: increased by $602,190).

(c) Reconciliation

Reconciliations of the carrying amounts of property, plant and equipment at the beginning and at the end of the current and previous financial year:

	31 December 2012 Aus $	31 December 2011 Aus $
Freehold land		
Written down value at beginning of year	2,100,000	2,300,000
Additions	–	–
Disposals	–	–
Depreciation expense	–	–
Net amount of revaluation increments less decrements	–	(200,000)
Written down value at end of year	**2,100,000**	**2,100,000**
Buildings on freehold land		
Written down value at beginning of year	5,365,000	4,650,000
Additions	976,513	159,787
Disposals	–	–
Depreciation expense	(146,139)	(46,977)
Net amount of revaluation increments less decrements	(1,235,374)	602,190
Written down value at end of year	**4,960,000**	**5,365,000**
Leasehold improvements		
Written down value at beginning of year	1,059,378	–
Additions	735,151	1,176,827
Disposals	–	–
Depreciation expense	(677,742)	(117,449)
Written down value at end of year	**1,116,787**	**1,059,378**
Furniture and equipment		
Written down value at beginning of year	1,941,500	605,934
Additions	1,182,702	1,909,967
Disposals	–	–
Depreciation expense	(1,013,608)	(574,401)
Written down value at end of year	**2,110,594**	**1,941,500**
Library books		
Written down value at beginning of year	27,030	16,185
Additions	12,720	16,852
Disposals	–	–
Depreciation expense	(9,884)	(6,007)
Written down value at end of year	**29,866**	**27,030**

Course notes

Written down value at beginning of year	328,952	332,869
Additions	214,732	192,831
Disposals	–	–
Depreciation expense	(218,153)	(196,748)
Written down value at end of year	**325,531**	**328,952**

Total	**10,642,778**	**10,821,860**

Total property, plant and equipment	31 December 2012 Aus $	31 December 2011 Aus $
Written down value at beginning of year	10,821,860	7,904,988
Additions	3,121,818	3,456,264
Disposals	–	–
Depreciation expense	(2,065,526)	(941,582)
Net amount of revaluation increments less decrements	(1,235,374)	402,190
Written down value at end of year	**10,642,778**	**10,821,860**

Note 13: Investment in subsidiary companies

13 (a) TheCyberInstitute Pty Limited

	31 December 2012 Aus $	31 December 2011 Aus $
Percentage of equity interest in TheCyberInstitute Pty Limited (country of incorporation – Australia)	100.00%	100.00%

	31 December 2012 Aus $	31 December 2011 Aus $
Equity investment in subsidiary	1,100,000	1,100,000
Revaluation provision	(857,891)	(248,787)
Net Investment	**242,109**	**851,213**

The Company maintains a provision for investment in subsidiary which is revalued annually and adjusted to reflect the value of net assets in the subsidiary.

The current year provision has been increased by $609,104 which is equivalent to the decrease in net assets of the subsidiary (2011: the provision was decreased by $188,487). The net investment in subsidiary is eliminated when consolidating financial results of the Company and its subsidiary.

13 (b) LeaderSpace Limited

LeaderSpace Limited is a public company limited by guarantee. AIM Qld & NT is the sole member of LeaderSpace. Total investment of the Company in LeaderSpace as at 31 December 2012 was $nil (2011: $nil).

Note 14: Trade and other payables

	31 December 2012 Aus $	31 December 2011 Aus $
Trade payables	957,337	1,001,812
Other creditors and accruals	1,742,310	590,202
Group tax payable	116,420	127,315
Net GST payable	18,434	302,881
Refunds due	118	–
	2,834,619	**2,022,210**

Other creditors and accruals include $1,506,560 payable to BHP Billiton Mitsubishi Alliance Coal Operations Pty Limited (BMA) against funds collected from BMA contractors (2011: $nil).

The Company entered into a three year agreement with BMA in 2011 to deliver Core Induction Training to its employees and contractors working at all BMA mines across Queensland. Under the agreement, the Company provides administrative support to BMA in collecting payments from the BMA contractors via an online self-enrolment payment gateway. The Company also acts as an agent of BMA in the issuing of invoices to and the collection of payments from BMA contractors who make bulk bookings into the Induction program.

Fair value

Due to the short term nature of these payables, their carrying value is assumed to approximate their fair value.

Note 15: Employee benefits

	31 December 2012 Aus $	31 December 2011 Aus $
Current		
Annual leave	328,338	259,848
Long service leave	29,873	30,706
	358,211	**290,554**
Non-current		
Long service leave	86,154	68,227
	86,154	**68,227**

Note 16: Unearned revenue

	31 December 2012 Aus $	31 December 2011 Aus $
Unearned subscription revenue	601,119	601,301
	601,119	**601,301**
Other unearned revenue	684,333	665,307
	684,333	**665,307**

Member subscription revenue is recognised in equal instalments over a 12 month period with unallocated revenue held as a current liability. The criterion for the refund of subscription revenue is set out in the Constitution.

Other unearned revenue includes revenue received for training services not yet delivered and is recorded as a current liability. Delivery of training services is expected within the next financial period.

Note 17: Members' accumulated funds and reserve

	31 December 2012 Aus $	31 December 2011 Aus $
Members' accumulated funds		
Balance at beginning of year	10,633,713	7,635,063
Profit after tax attributed to members for the period	1,507,360	2,998,650
Balance at end of year	**12,141,073**	**10,633,713**
Reserve (asset revaluation)		
Balance at beginning of year	2,932,876	2,530,686
Revaluation increments/(decrements) of land and buildings	(1,235,374)	402,190
Balance at end of year	**1,697,502**	**2,932,876**
Total members' accumulated funds	**13,838,575**	**13,566,589**

Note 18: Expenditure commitment

Lease expenditure commitments – operating leases (non-cancellable)

Future minimum rentals payable under non-cancellable operating leases as at 31 December are:	31 December 2012 Aus $	31 December 2011 Aus $
Due not later than one year	1,278,656	1,109,789
Due one to five years	763,409	1,703,736
Due later than five years	–	–
	2,042,065	**2,813,525**

The Company has secured leased tenancies in Brisbane, Mackay, Emerald, Moranbah, Dysart and Rockhampton to establish Induction Training Centres for the delivery of BMA Core Induction Training. All sites except Rockhampton have been leased for a period in line with BMA project agreement terms. The Rockhampton site is leased until September 2014. Each lease has an option for extension for another two 3 year terms.

The Company entered into a commercial lease in 2012 on copying and office equipment for a four year term and a fixed term agreement for a franking machine for a five year term. In February 2012, the Company also entered into a fixed term agreement for a paper folding machine for a five year term. There are no restrictions placed upon the lessees by entering into these leases.

The Company's subsidiary TheCyberInstitute entered into a two year lease agreement in February 2012 for an offsite premise in Spring Hill. The agreement may be renewed for a further two year term.

Note 19: Segment reporting

The Company operates predominantly in one industry. The principal activity of the Company as a public educational institution is to provide a professional association for managers and to conduct management development activities and consulting. The Company operates predominantly in one geographical area, being Australia.

Note 20: Bank facilities

	31 December 2012 Aus $	31 December 2011 Aus $
Bank overdraft facility (the Company)	1,200,000	2,800,000
Bank overdraft facility (Subsidiary - TheCyberInstitute)	100,000	100,000
Facility to issue bank guarantees (the Company)	400,000	400,000
Total bank facilities	**1,700,000**	**3,300,000**
Unused bank overdraft facility (the Company)	1,200,000	2,800,000
Unused bank overdraft facility (Subsidiary - TheCyberInstitute)	100,000	100,000
Unused facility to issue bank guarantees (the Company)	139,837	139,837
Total unused bank facilities	**1,439,837**	**3,039,837**

Bank guarantees are issued to secure all obligations of the Company as tenants under its leases of the premises to set up Induction Training Centres in Brisbane, Mackay, Emerald, Dysart and Rockhampton to deliver BMA Core Induction Training.

These bank facilities of $1,700,000 (2011: $3,300,000) are secured by a registered mortgage over property owned by the Company and by a registered mortgage debenture over the whole of the Company's assets and undertakings.

Note 21: Related party disclosures

The consolidated financial statements include the financial statements of the Australian Institute of Management - Qld & NT and the subsidiaries listed in the following table.

Name		Equity Interest		Investment $
TheCyberInstitute Pty Limited	2012	100%	2012	1,100,000
TheCyberInstitute Pty Limited	2011	100%	2011	1,100,000
LeaderSpace Limited	2012	100%	2012	–
LeaderSpace Limited	2011	100%	2011	–

Related parties

TheCyberInstitute Pty Limited (TheCyberInstitute)

Purchases of $57,501 were made during the year from TheCyberInstitute (2011: $115,357).

Sales of $40,000 were made during the year to TheCyberInstitute (2011: $nil).

The Company also provides financial support to TheCyberInstitute if required under a letter of commitment provided by the Company's Board. As at 31 December 2012 $650,327 was due from TheCyberInstitute (2011: $nil). This amount is treated as a temporary loan to TheCyberInstitute. No interest was charged on this loan.

LeaderSpace Limited (LeaderSpace)

Purchases of $117,812 were made during the year from LeaderSpace.

During the year the Company provided various support services to LeaderSpace at a cost of $60,000.

The Company also provides financial support to LeaderSpace if required. As at 31 December 2012 $79,163 was due from LeaderSpace. This amount includes receivables from debtors and the net book value of bookshop inventory that was transferred from the Company to LeaderSpace on commencement of its operations on 1 January 2012. This amount is treated as a temporary loan to LeaderSpace. No interest is charged on this loan.

Telefonix Technology Group Pty Limited (TT Group)

Bob Bishop FAIM, AIM Board member, is also a Chief Executive Officer of Telefonix Technology Group Pty Limited. TT Group has been providing phone equipment and audio video support services to the Company since 1998.

During the year the Company obtained services and purchased equipment at a cost of $2,441 (2011: $3,024).

During the year the Company's subsidiary TheCyberInstitute obtained services and purchased equipment from TT Group at a cost of $2,316 (2011: $nil).

Key management

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity and include the Chief Executive Officer(s).

Hemming + Hart Lawyers

The Company uses the services of a panel of law firms all of which are/have been corporate members of the Institute. These are McCullough Robertson, Gadens Lawyers, Minter Ellison and Hemming + Hart Lawyers.

Hemming + Hart Lawyers have been providing legal services to the Company for many years in its area of expertise. The managing partner of Hemming + Hart Lawyers is related to the Chief Executive Officer of the Company.

During the year the Company obtained services on commercial terms in relation to BMA project leasing from Hemming + Hart Lawyers at a cost of $9,643 (2011: $39,042). Hemming + Hart has not taken instructions on any new matters since 2011.

Terms and conditions

Sales to related parties are made in arm's length transactions at both normal market prices and normal commercial conditions. No balances were outstanding at year-end and no doubtful debt provision was made at balance date in regards to these transactions. There have been no guarantees provided or received for any related party receivables.

Directors

The names of each person holding the position of Director of the Company during the financial year were Grant Dearlove, Julie Boyd, Mike O'Hagan, Bob Bishop, John Cotter, Rolanda Ayling (appointed 19 February 2012), Richard Boys (appointed 19 February 2012), David Conry (appointed 19 February 2012) and Christine Cornish (appointed 19 February 2012).

	31 December 2012 Aus $	31 December 2011 Aus $
Short-term employee benefits	1,504,000	1,117,000
Post-employment benefits	54,000	100,500
	1,558,000	**1,217,500**

Note 22: Consolidated statement of cash flows

(a) Reconciliation of cash

	Note	31 December 2012 Aus $	31 December 2011 Aus $
Cash and cash equivalents		4,881,912	2,499,589
Cash held but not readily available	8(a)	300,000	300,000
		5,181,912	**2,799,589**

(b) Reconciliation of operating results to net cash provided by operating activities

Operating profit	1,507,360	3,015,118
Add/(less) non-cash items		
Depreciation	2,065,526	941,582
Intangible asset written off	–	4,545
Gain on sale of fixed assets	–	–
Movement in employee entitlement provisions	85,584	77,104
Changes in assets and liabilities:		
(Increase)/decrease in receivables	1,059,289	(876,119)
Decrease in inventories	21,584	29,530
Increase in other current assets	(49,987)	(342,705)
Increase in accounts payable	795,941	948,904
(Decrease)/increase in unearned revenue	18,844	(110,560)
Net cash provided by/(used in) operating activities	**5,504,141**	**3,687,399**

Note 23: Parent entity financial information

(a) Summary financial information

	31 December 2012 Aus $	31 December 2011 Aus $
Balance sheet		
Current assets	7,565,924	5,459,729
Non-current assets	10,615,886	11,572,856
Total assets	**18,181,810**	**17,032,585**
Current liabilities	4,165,017	3,401,552
Non-current liabilities	86,154	64,444
Total liabilities	**4,251,171**	**3,465,996**
Net assets	**13,930,639**	**13,566,589**
Member's accumulated funds	12,233,137	10,633,713
Reserves	1,697,502	2,932,876
Total members' funds	13,930,639	13,566,589
Surplus for the year	**1,599,424**	**3,015,118**
Fair value revaluation of land and buildings	(1,235,374)	402,190
Total comprehensive income for the year	**364,050**	**3,400,840**

(b) Contingent liabilities of the parent entity

The parent entity did not have any contingent liabilities as at 31 December 2012 ($nil as at 31 December 2011).

TheCyberInstitute has a strong sales pipeline and is forecast to generate a surplus in the 2013 year. The parent may be required to provide additional funding. The Directors believe that the funding, if any, is expected to be minimal and therefore no provision has been recorded in the financial records of the Company.

(c) Contractual commitments for the acquisition of property, plant and equipment

As at 31 December 2012, the parent entity had contractual commitments for the acquisition/improvement of property, plant and equipment totalling $20,000 (31 December 2011: $795,000). These commitments are not recognised as liabilities as the relevant assets have not yet been received.

Directors' declaration

In accordance with a resolution of the Directors of Australian Institute of Management - Qld & NT we state that:

In the opinion of the Directors:

(a) the consolidated financial statements and notes of the Company are in accordance with the Corporations Act 2001, including:

- **(i)** giving a true and fair view of the Company's financial position as at 31 December 2012 and of the Company's performance for the year ended on that date; and

- **(ii)** complying with Accounting Standards and Corporations Regulations 2001.

(b) the financial report also complies with International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) as disclosed in note 2; and

(c) there are reasonable grounds to believe that the Company and the consolidated entity will be able to pay its debts as and when they become due and payable.

On behalf of the Board

Grant Dearlove FAIM, Chair
Brisbane, 26 February 2013

Julie Boyd FAIM, Director
Brisbane, 26 February 2013

Independent
Auditor's report

Independent
Auditor's report

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INDEPENDENT AUDITOR'S REPORT

To the members of Australian Institute of Management – QLD & NT

We have audited the accompanying financial report of Australian Institute of Management – QLD & NT, which comprises the statements of financial position as at 31 December 2012, the statements of comprehensive income, the statements of changes in equity and the statements of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the company and the consolidated entity comprising the company and the entities 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 company 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 gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 2(b), the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company'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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

BDO

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Australian Institute of Management – QLD & NT, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

(a) the financial report of Australian Institute of Management – QLD & NT is in accordance with the *Corporations Act 2001*, including:

  (i) giving a true and fair view of the company and consolidated entity's financial positions as at 31 December 2012 and of their performance for the year ended on that date; and

  (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

(b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 2(b).

BDO East Coast Partnership

BDO

A S Loots

Partner

Brisbane, 26 February 2013

Australian Institute of Management – Qld & NT

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