

Changing the way we drink



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Alcohol Education and Rehabilitation Foundation Ltd • ABN 91 096 854 385

CORPORATE INFORMATION

CORPORATE INFORMATION

This annual report covers the Alcohol Education and Rehabilitation Foundation Ltd (AER) as an individual entity. The AER's functional and presentation currency is AUD (\$).

A description of AER's operations and of its principal activities is included in the review of operations and activities in the directors' report on pages 3 to 10. The directors' report is not part of the financial report.

Directors

I Webster (Chair)
S Wilson (Deputy Chair)
C Bart
T Costello
D Crosbie
P d'Abbs
A Mosey
B Tobin

Company Secretary

D Smeaton

Registered office

Suite 8 Level 1
8 Phipps Close
Deakin ACT 2600

Principal place of business

Suite 8 Level 1
8 Phipps Close
Deakin ACT 2600

Solicitors

Chamberlains Law Firm Pty Ltd
GPO Box 746
Canberra ACT 2601

Bankers

Macquarie Bank
20 Bond Street
Sydney NSW 2000

Auditors

Australian National Audit Office
GPO Box 707
Canberra ACT 2601

Alcohol Education and Rehabilitation Foundation Ltd • ABN 91 096 854 385

DIRECTOR'S REPORT

DIRECTORS' REPORT

The directors present their report together with the financial report on the Alcohol Education and Rehabilitation Foundation Ltd (AER) for the financial year ended 30 June 2008 and the auditor's report thereon.

DIRECTORS

Names, qualifications, experience and special responsibilities of AER directors in office at any time during or since the end of the financial year are as follows:

Professor Ian William Webster AO (Chair)

Professor Webster was appointed a director of AER on 17 October 2001. Professor Webster is a physician and Emeritus Professor of Public Health and Community Medicine of the University of New South Wales. He is Patron of the Alcohol and other Drugs Council of Australia, Chair of the National Advisory Council on Suicide Prevention, Chair of the NSW Expert Advisory Committee on Alcohol and Drugs and President, Governing Council of The Ted Noffs Foundation.

He has chaired a number of Commonwealth and State Government inquiries and reviews in disability, health, mental health and alcohol and other drug problems. He is in clinical practice in the Drug and Alcohol Services in the South Western Sydney Area Health Service and the Shoalhaven and Illawarra Health Services, NSW. He was honorary visiting physician to the Matthew Talbot Hostel for the homeless in Sydney from 1976 to 2006. He has conducted research and published in medicine, community and public health, alcohol and other drug problems, mental health and social issues.

Presently, he is the AER Chair and also serves on the Executive and Remuneration committees.

During the past year Professor Webster has also served as a director of the following companies:

- The Ted Noffs Foundation
- AW Tyree Foundation
- Webster Associates Pty Ltd

Scott Wilson (Deputy Chair)

Scott Wilson was appointed a director of AER on 17 October 2001. Mr Wilson is the State Director of the Aboriginal Drug and Alcohol Council (SA) Inc, which is the only Indigenous organisation of its kind in Australia. Mr Wilson has presented a number of papers on behalf of ADAC at both national and international conferences on indigenous drug and alcohol issues and was awarded the Alcohol and other Drugs Council of Australia (ADCA) Australia Day Achievement Medallion in 1997. In 2003, Mr Wilson was awarded the Centenary Medal for service to Indigenous substance misuse issues.

Presently, he is the AER Deputy Chair and also serves on the Audit, Executive and Remuneration committees.

Mr Wilson is also currently the Chairperson of the National Indigenous Substance Misuse Council (NISMC), Deputy Chairperson National Indigenous Drug and Alcohol Committee (formerly the National Drug Strategy Reference Group for Aboriginal and Torres Strait Islander Peoples 1997, (Ministerial appointment) Member National Illicit Drug Strategy Media Campaign Reference Committee 1998 -Member Indigenous Strategies Working Group (Suicide and Mental Health Branch DoHA) 1998 – Ministerial appointment National Dementia Advisory Committee 2008 -Expert Advisory Committee (Child Health and Wellbeing Subcommittee) 2008 –Member Reference Group NDS Aboriginal and Torres Strait Islander Peoples Complimentary Action Plan 2003–2009 - and a variety of other national and state committees.

During the past year Mr Wilson has also served as a director of the Wine Foundation.

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DIRECTOR'S REPORT

Cheryl Sarah Bart (Chair Audit Committee) BCom/LLB

Cheryl Bart was appointed a director of AER on 17 October 2001. Cheryl Bart is a lawyer and company director. She is the Chairman of the South Australian Film Corporation and also Chairs the Adelaide Film Festival.

Presently, she is the AER Audit Chair.

During the past year Ms Bart has also served as a director of the following companies:

- Spark Infrastructure Ltd
- ANZ Executors & Trustees Company Limited
- South Australia Film Corporation
- Adelaide Film Festival
- Adelaide Film Festival Investment Fund
- ETSA Utilities
- Defence Industry Advisory Board
- Economic Development Board
- Shaw of Australia
- Growth Properties Ltd

Timothy Ewen Costello AO

Timothy Costello was appointed a director of AER on 17 October 2001. Tim Costello has a life long commitment to social justice. He is Chief Executive Officer of World Vision Australia.

David William Crosbie

David Crosbie was appointed a director of AER on 17 October 2001. David Crosbie is currently CEO of the Mental Health Council of Australia, the national peak body for the mental health field. He was previously CEO of Odyssey House Victoria, one of Australia's leading alcohol and drug treatment agencies and is the former CEO of the Alcohol and other Drugs Council of Australia. David has extensive experience in developing and implementing policies and programs to reduce the level of alcohol related harm in Australia.

Presently, he also serves on the Executive and Remuneration committees.

During the past year Mr Crosbie has also served as a director of the following companies:

- Crosbie and Associates Pty Ltd
- National Drugs Partnership
- Non Profit Australia

Associate Professor Peter Harald Nilsen d'Abbs

Associate Professor d'Abbs was appointed a director of AER on 17 October 2001. Associate Professor d'Abbs holds a position in the School of Public Health and Tropical Medicine, James Cook University, Cairns and is currently also working with Queensland Health, Cairns. He has conducted extensive policy – related research and evaluation in the areas of alcohol problems and community-based interventions, particularly in Indigenous and rural/remote settings.

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DIRECTOR'S REPORT

Elizabeth Anne Mosey

Elizabeth Mosey (known as Anne) was appointed a director of AER on 17 October 2001. Elizabeth Mosey has worked with remote Aboriginal communities for over 20 years in the Northern Territory, Queensland and Western Australia to assist them in the development of strategies concerning alcohol abuse and petrol sniffing. She is currently working as a consultant providing training, resource development, and community development support to government and non-government agencies in the areas of alcohol, community night patrols and inhalant substance misuse.

Presently, she serves on the Executive and Remuneration committees.

Dr Bernadette Tobin MA(Melb) Med(Melb) PhD(Cantab)

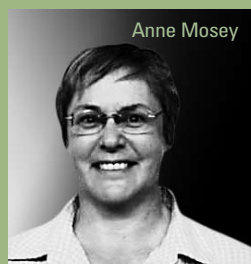
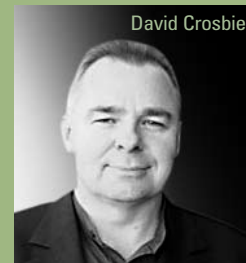
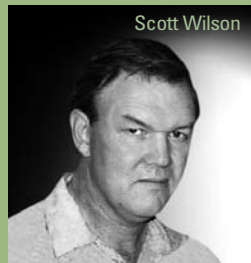
Dr Tobin was appointed a director of AER on 17 October 2001. Dr Tobin is Director of the Plunkett Centre for Ethics at St Vincent's Hospital in Sydney and Reader in Philosophy at Australian Catholic University.

Presently, she also serves on the Audit committee.

During the past year Dr Tobin has also served as a director of the following companies:

- Kincoppal-Rose Bay School Pty Ltd
- Garvan Institute for Medical Research

DIRECTORS



COMPANY SECRETARY

Daryl Peter Smeaton

Daryl Smeaton was appointed the secretary of AER on 17 October 2001.

Presently, he is the AER Chief Executive Officer. He is also Chair of the Catholic Education Commission of the ACT (a part-time position). Previously he was Chief Executive Officer of the Real Estate Institute of Australia and prior to that was employed for 30 years by the Commonwealth Government. He holds a Bachelor of Arts and a Graduate Diploma in Law from the University of Canberra.

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DIRECTOR'S REPORT

DIRECTORS MEETINGS

The number of directors' meetings and number of meetings attended by each director during the financial year are:

Director Name	General		Executive		Audit		Remuneration	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended
Ian William Webster	4	4	4	4			1	1
Scott Wilson	4	3	4	3	5	4	1	1
Cheryl Sarah Bart	4	3			5	3		
Timothy Ewen Costello	4	1						
David William Crosbie	4	3	4	2			1	-
Peter Harald Nilsen d'Abbs	4	3						
Elizabeth Anne Mosey	4	3	4	3			1	1
Bernadette Tobin	4	4			5	5		

Directors have been in office since their initial date of appointment upon the formation of AER to the date of this report unless otherwise stated.

PRINCIPAL ACTIVITIES

The principal activities of AER during the financial year were:

- to prevent alcohol and other licit substance misuse, including petrol sniffing, particularly among vulnerable population groups such as Indigenous Australians and youth;
- to support evidence-based alcohol and other licit substance misuse treatment, rehabilitation, research and prevention programs;
- to promote community education encouraging low risk consumption of alcohol and highlighting the dangers of licit substance misuse;
- to promote public awareness of the work of AER and raise funds from the private sector for the ongoing work of AER; and
- to provide funding grants to organisations with appropriate community linkages to deliver services which reduce the harms caused by alcohol and other licit substance misuse.

OPERATING AND FINANCIAL REVIEW

AER Overview

AER was established by its members on 17 October 2001 and *The Alcohol Education and Rehabilitation Account Act 2001* (the Act), a funding agreement dated 15 November 2001 with the Australian Government (the Agreement), and the AER Constitution outline its purpose and objectives.

AER's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

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DIRECTOR'S REPORT

Performance Indicators

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

Operating Results for the Year

The operating loss of AER for the current financial year amounted to \$12,086,873 (The operating loss amounted to \$7,781,019 in 2007).

AER's constitution precludes it from distributing any surpluses to its members. Accordingly, there were no dividends provided for or to be paid by AER since the end of the previous financial year and the directors do not recommend the declaration of a dividend.

The balance of retained surpluses amounts to \$9,625,933 (\$13,870,949 in 2007).

AER maintains a trust fund to support its principal activities. The balance of unspent trust funds amounts to \$37,168,583 (\$45,010,440 in 2007).

Of the unspent trust funds, AER is committed to providing to grantees a further \$11,980,767. These payments are subject to the grantees meeting the terms of their respective funding agreements. Details of these are shown at Note 17. In accordance with Australian National Audit Office advice and Department of Finance directives, the committed trust funds have not been expensed in the Income Statement. If the committed funds were included then the balance of unspent trust funds would amount to \$25,187,816.

Review of Financial Condition

Although the company is reporting an operating loss of \$12,086,873 for the current financial year (\$7,781,019 in 2007) a going concern basis of accounting is appropriate for the 30 June 2008 financial report.

This is based on the following:

- AER's strategic investment planning has enabled the establishment of a perpetual trust and the income that is generated from this investment will ensure that AER can operate beyond 30 June 2010. The balance of the perpetual trust as at 30 June 2008 was \$21,414,300.
- Net assets at 30 June 2008 totalled \$46,794,516 (\$58,881,389 in 2007);
- Finance revenue of \$4,447,574 for the year ended 30 June 2008 (\$7,541,403 in 2007);
- Cash and cash equivalents of \$22,948,454 at year end (\$33,574,787 in 2007);
- Excluding trust funds, current ratio of 3.6 (3.4 in 2007) and working capital of \$637,130 (\$609,368 in 2007) provides support that the company can meet its short term administrative obligations as and when they fall due.

Risk Management

AER takes a proactive approach to risk management. The Board is responsible for ensuring that risks, and also opportunities, are identified on a timely basis and that AER's objectives are aligned with the risks and opportunities identified by the Board.

The Board has a number of mechanisms in place to ensure that management's objectives and activities are aligned with the risks identified by the Board.

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DIRECTOR'S REPORT

These include the following:

- Board approval of a strategic plan, which encompasses AER's vision, mission and strategy statements, designed to meet stakeholders' needs and manage business risk.
- Implementation of Board approved operating plans and budgets and Board monitoring of progress against these budgets, including the establishment and monitoring of KPIs of both a financial and non-financial nature.
- The Audit Committee assists in discharging the Board's responsibility to manage the organisation's financial risks. The Committee advises the Board on such matters as AER's liquidity, currency, interest rate and credit policies and exposures and monitors management's actions to ensure they are in line with AER policy.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of AER, the results of those operations, or the state of affairs of AER in future financial years.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

Since the end of the financial year AER has approved funding in the amount of \$250,000 consistent with the objectives of the 2008-2010 business plan.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the financial year AER has paid premiums in respect of directors' and officers' liability and legal expenses and also professional indemnity insurance contracts. Such insurance contracts insure against certain liability (subject to specific exclusions) persons who are or have been directors or executive officers of AER.

The directors have not included details of the nature of the liabilities covered or the amount of the premiums paid in respect of the directors' and officers' liability and legal expenses and also professional indemnity insurance contracts, as such disclosure is prohibited under the terms of the contract.

LEGAL PROCEEDINGS

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

REMUNERATION REPORT

This report outlines the remuneration arrangements in place for directors and executives of AER.

Remuneration philosophy

The performance of AER depends upon the quality of its directors and executives. To prosper, AER must attract, motivate and retain highly skilled directors and executives.

Remuneration committee

The Remuneration Committee of the Board of Directors of AER is responsible for determining and reviewing compensation arrangements for directors and the Chief Executive Officer (CEO).

The Remuneration Committee assesses the appropriateness of the nature of remuneration of directors and the CEO on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum benefit from retention of a high quality Board and executive team.

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DIRECTOR'S REPORT

Remuneration structure

In accordance with best practice corporate governance, the structure of non-executive director and executive remuneration is separate and distinct.

Non-executive director remuneration

The constitution specifies that the remuneration of non-executive directors shall be determined from time to time by a general meeting. The latest determination was at the General Meeting held on 27 February 2004.

The Board considers advice from external consultants as well as the fees paid to non-executive directors of comparable organisations when undertaking a review process.

Each director receives a fee for being a director of AER. An additional fee is also paid for some Board committees on which a director sits. The payment of additional fees for serving on a committee recognises the additional time commitment required by directors who serve on one or more sub committees.

Senior management remuneration

Objective

AER aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within AER so as to:

- reward executives for AER and individual performance against targets set by reference to appropriate benchmarks;
- link rewards with the strategic goals and performance of AER; and
- ensure total remuneration is competitive by market standards.

Structure

Senior managers are given the opportunity to receive their remuneration in a variety of forms including cash and fringe benefits such as motor vehicles and expense payment plans. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost for AER.

Note 4 (b) to the financial statements discloses figures in relation to the remuneration of key management personnel.

AUDITOR INDEPENDENCE AND NON-AUDIT SERVICES

The directors received the following declaration from the auditor of the Alcohol Education and Rehabilitation Foundation Ltd as required under section 307C of the *Corporations Act 2001*.

NON-AUDIT SERVICES

There were no non-audit services provided to AER by its auditor during the financial year.

Signed in accordance with a resolution of the Board of Directors:

Director



Director



Dated this 2nd day of October 2008

Alcohol Education and Rehabilitation Foundation Ltd • ABN 91 096 854 385

AUDITOR'S INDEPENDENCE DECLARATION





Auditor's Independence Declaration to the Directors of the Alcohol Education and Rehabilitation Foundation Ltd

In relation to our audit of the financial report of the Alcohol Education and Rehabilitation Foundation Ltd for the year ended 30 June 2008, to the best of my knowledge and belief, there have been:

- (i) no contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) no contravention of any applicable code of professional conduct.

Australian National Audit Office

John McCullough
Audit Principal
Delegate of the Auditor-General
Signed in Canberra on the 2nd day of October 2008

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

To the Directors of Alcohol Education and Rehabilitation Foundation Ltd

Scope

I have audited the accompanying financial statements of the Alcohol Education and Rehabilitation Foundation Ltd which comprise the balance sheet as at 30 June 2008, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, notes to the financial statements, including a statement of significant accounting policies and the directors' declaration.

The Responsibility of the Board of Directors for the Financial Statements

The directors of the Alcohol Education and Rehabilitation Foundation Ltd are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's 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 Alcohol Education and Rehabilitation Foundation Ltd's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing

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INDEPENDENT AUDITOR'S REPORT

an opinion on the effectiveness of the Alcohol Education and Rehabilitation Foundation Ltd'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.

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

Independence

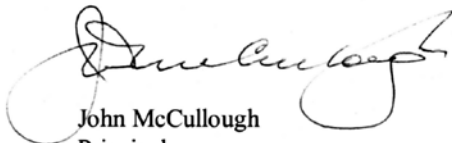
In conducting my audit, I have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's Opinion

In my opinion, the financial statements of the Alcohol Education and Rehabilitation Foundation Ltd are in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Alcohol Education and Rehabilitation Foundation Ltd's financial position as at 30 June 2008 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*.

Australian National Audit Office



John McCullough
Principal
Delegate of the Auditor-General

Canberra
02 October 2008

Alcohol Education and Rehabilitation Foundation Ltd • ABN 91 096 854 385

CORPORATE GOVERNANCE STATEMENT

CORPORATE GOVERNANCE STATEMENT

The Board of Directors of the Alcohol Education and Rehabilitation Foundation Ltd (AER) are responsible for the corporate governance of AER. The Board monitors the business and affairs of AER.

AER's Corporate Governance is structured with reference to the AER Values, which are as follows:

Value 1. Collaborative Approach

Value 2. Capacity Building and Community Engagement

Value 3. Transparent and Accountable

Value 4. Cultural Responsiveness

Value 5. Acknowledging the Importance of Social Justice

AER's corporate governance practices were in place throughout the year ended 30 June 2008.

Structure of the Board

The skills, experience and expertise relevant to the position of director held by each director in office at the date of the annual report is included in the Directors' Report. Directors of AER are considered to be independent when they are independent from management and free from any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their unfettered and independent judgement.

Executive Committee

The Board has established an Executive Committee, which meets quarterly, to ensure that the Board continues to operate within established guidelines, including when necessary, selecting candidates for the position of director.

The members of the Executive Committee during the year were:

I Webster (Committee Chair)

D. Crosbie

E. Mosey

S. Wilson

Audit Committee

The Board has established an Audit Committee, which operates under a charter approved by the Board. It is the Board's responsibility to ensure that an effective internal control framework exists within AER. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes, the safe guarding of assets, the maintenance of proper accounting records, and the reliability of financial information as well as non-financial consideration such as benchmarking of operational key performance indicators. The Board has delegated responsibility for establishing and maintaining a framework of internal control and ethical standards to the Audit Committee.

The Committee also provides the Board with additional assurance regarding the reliability of financial information for inclusion in the financial reports. All members of the Audit Committee are non-executive directors.

The members of the Audit Committee during the year were:

C. Bart (Committee Chair)

B Tobin

S. Wilson

Risk

The Board determines the Company's risk profile and is responsible for overseeing and approving risk management strategy and policies, internal compliance and internal control.

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CORPORATE GOVERNANCE STATEMENT

The Company's process of risk management and internal compliance and controls includes:

- establishing the Company's goals and objectives, and implementing and monitoring strategies and policies to achieve these goals and objectives;
- continuously identifying and measuring risks that might impact upon the achievement of the Company's goals and objectives, and monitoring the environment for emerging factors and trends that effect these risks;
- formulating risk management strategies to manage identified risks, and designing and implementing appropriate risk management policies and internal controls;
- monitoring the performance of, and continuously improving the effectiveness of, risk management systems and internal compliance and controls, including an annual assessment of the effectiveness of risk management and internal compliance and control.

To this end, comprehensive practices are in place that are directed towards achieving the following objectives:

- effectiveness and efficiency in the use of the Company's resources;
- compliance with applicable laws and regulations;
- preparation of reliable published financial information.

The Board oversees an annual assessment of the effectiveness of risk management and internal compliance and control. The responsibility for undertaking and assessing risk management and internal control effectiveness is delegated to management. Management is required by the Board to assess risk management and associated internal compliance and control procedures and report back on the efficiency and effectiveness of risk management by benchmarking the Company's performance to the Australia/New Zealand Standard on Risk Management (AS/NZ 4360).

CEO and CFO Certification

The Chief Executive Officer and Chief Financial Officer have provided a written statement to the Board that:

- their view provided on the Company's financial report is founded on a sound system of risk management and internal compliance and control which implements the financial policies adopted by the Board; and
- that the Company's risk management and internal compliance and control system is operating effectively in all material respects.

Remuneration

It is AER's objective to provide maximum benefit from the retention of a highly qualified Board and executive team by remunerating directors and key executives fairly and appropriately with reference to relevant employment market conditions. To assist in achieving this objective, the Remuneration Committee links the nature and amount of directors' and executives' emoluments to AER's financial and operational performance.

The expected outcomes of the remuneration structure are:

- retention and motivation of key executives;
- attraction of high quality management to AER; and
- performance incentives that allow executives to share the success of AER.

The Board is responsible for determining and reviewing compensation arrangements for the directors themselves and the Chief Executive Officer.

The Board has established a Remuneration Committee, and members of the Remuneration Committee throughout the year were:

I Webster

D. Crosbie

E. Mosey

S. Wilson (Committee Chair)

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INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
Income			
Asset sales	2a	17,372	-
Public Fund	2b	15,705	15,244
2001-2005 Strategies-Contract Variations	2c	42,142	-
2001-2005 Strategies-Payment Refunds	2d	45,546	112,131
2006-2007 Strategies-Payment Refunds	2e	7,475	60,316
2008-2010 Strategies-Payment Refunds	2f	680	-
Finance revenue	2g	4,447,574	7,541,403
Total Income		4,576,494	7,729,094
Expenses			
2001-2005 Strategies payments	17b	4,231,649	8,181,421
2006-2007 Strategies payments	17d	2,783,497	5,578,888
2008-2010 Strategies payments	17f	880,412	-
Occupancy expenses		148,022	136,098
Administrative expenses		234,716	296,014
Depreciation and amortisation expenses	3a	44,979	64,241
Provisions	3b	-	4,391
Employee benefits expenses	3c	967,004	929,990
Directors expenses	3d	232,282	303,433
Finance costs	3e	14,530	14,163
Net loss on disposal of assets	3f	600	1,474
Other expenses	3g	7,125,676	-
Total Expenses		16,663,367	(15,510,113)
Operating (Deficit) for the year		(12,086,873)	(7,781,019)
Income tax expense	1f	-	-
Net (Deficit) for the year attributable to members of the Company		(12,086,873)	(7,781,019)

Alcohol Education and Rehabilitation Foundation Ltd • ABN 91 096 854 385

BALANCE SHEET

AS AT 30 JUNE 2008

	Note	2008 \$	2007 \$
CURRENT ASSETS			
Cash and cash equivalents	5	22,948,454	33,574,787
Trade and other receivables	6	333,699	377,636
Accrued revenue	7	12,078	392
Other assets	8	292,622	483,730
TOTAL CURRENT ASSETS		23,586,853	34,436,545
NON-CURRENT ASSETS			
Financial investments at fair value	9	23,538,499	24,769,908
Property, plant and equipment	10a	110,212	76,060
Intangible assets	10b	12,835	2,482
TOTAL NON-CURRENT ASSETS		23,661,546	24,848,450
TOTAL ASSETS		47,248,399	59,284,995
CURRENT LIABILITIES			
Trade and other payables	11	135,892	150,630
Interest-bearing liabilities	12	58,164	65,394
Provisions	13	49,160	36,366
TOTAL CURRENT LIABILITIES		243,216	252,390

Alcohol Education and Rehabilitation Foundation Ltd • ABN 91 096 854 385

BALANCE SHEET

AS AT 30 JUNE 2008

	Note	2008 \$	2007 \$
NON-CURRENT LIABILITIES			
Interest-bearing liabilities	12	63,528	41,053
Provisions	13	147,139	110,163
TOTAL NON-CURRENT LIABILITIES		210,667	151,216
TOTAL LIABILITIES		453,883	403,606
NET ASSETS		46,794,516	58,881,389
EQUITY			
Reserves- Unspent Trust Funds	14	37,168,583	45,010,440
Retained Surpluses	15	9,625,933	13,870,949
TOTAL EQUITY		46,794,516	58,881,389

Alcohol Education and Rehabilitation Foundation Ltd • ABN 91 096 854 385

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
RESERVES			
Unspent Trust Funds			
Balance at start of year		45,010,440	58,598,301
Transferred to retained surpluses for the year		(7,841,857)	(13,587,861)
Balance at end of year	14	37,168,583	45,010,440
RETAINED SURPLUSES			
Balance at start of year		13,870,949	8,064,107
Operating (Deficit) for the year		(12,086,873)	(7,781,019)
Transfer from Unspent Trust Funds		7,841,857	13,587,861
Balance at end of year	15	9,625,933	13,870,949
TOTAL EQUITY		46,794,516	58,881,389

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CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Strategy Funds		46,832	179,006
Interest received		153,372	218,704
Donations and Gifts		15,705	15,244
Net GST Receipts		92,948	195,966
Payments to Suppliers		(412,444)	(506,522)
Interest paid		(5,940)	(5,480)
Directors		(232,282)	(303,433)
Employees		(920,398)	(884,075)
Strategy Payments		(7,895,558)	(13,760,309)
Net cash flows (used in) operating activities	21(b)	(9,157,765)	(14,850,899)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment income		10,024,067	6,010,832
Sale of property, plant and equipment		49,690	-
Payment for property, plant and equipment		(122,403)	(7,363)
(Payment for) / Proceeds of investments		(11,439,622)	877,340
Net cash flows (used in) from investing activities		(1,488,268)	6,880,809
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		102,900	-
Repayments under finance leases		(83,200)	(22,322)
Net cash from (used in) financing activities		19,700	(22,322)
Net (decrease) in cash held		(10,626,333)	(7,992,412)
Cash at beginning of year		33,574,787	41,567,199
Cash and cash equivalents at end of year	21(a)	22,948,454	33,574,787

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

The accompanying notes form part of these financial statements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Corporate Information

The financial report of the Alcohol Education and Rehabilitation Foundation Ltd (AER) for the year ended 30 June 2008 was authorised for issue in accordance with a resolution of the directors on 2 October 2008.

AER is a company limited by guarantee, incorporated and domiciled in Australia.

The nature of the operations and principal activities of AER is in accordance with its constitution and the AER Business Plan 2008-2010.

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

b. Basis of Preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001* and the Australian Accounting Standards.

The financial report covers AER as an individual economic entity.

The financial report is presented in Australian dollars and amounts have been rounded to the nearest dollar.

The financial report has been prepared on an accruals basis and is based on historical costs except for financial non-current assets at fair value through profit and loss. (Note 11)

c. Compliance with IFRS

Australian Accounting Standards require a statement of compliance with International Financial Reporting Standards (IFRS) to be made where the financial report complies with these standards. Some Australian equivalents to IFRS and other Australian Accounting Standards contain requirements specific to not-for-profit entities that are inconsistent with IFRS requirements. AER is a not for profit entity and has applied these requirements, so while this financial report complies with Australian Accounting Standards it cannot make this statement.

d. New accounting standards and interpretations

AER has adopted AASB 7 *Financial Instruments Disclosures* and all consequential amendments which became applicable on 1 January 2007. The adoption of this standard has only affected the disclosure in Note 23 of the financial statements and there is no effect on the Income Statement or Balance Sheet of AER.

The following new accounting standards (including reissued standards)/erratum/interpretations are applicable to the 2007/08 financial year:

AASB 7	Financial Instruments: Disclosures
AASB 101	Presentation of Financial Statements (issued October 2006)
AASB 1048	Interpretation and Application of Standards (reissued September 2007)
AASB 2005-10	Amendments to Australian Accounting Standards [AASB 1,4,101,114,117,132,133,139,1023,1038]
AASB 2007-1	Amendments to Australian Accounting Standards arising from AASB interpretation 11 [AASB 2]
AASB 2007-4	Amendments to Australian Accounting Standards arising from ED 151 and other amendments
AASB 2007-5	Amendments to Australian Accounting Standard – Inventories Held for Distribution by Not-for-Profit Entities [AASB 102]
AASB 2007-7	Amendments to Australian Accounting Standards [AASB 1,2,4,5,107,128]
AASB 2008-4	Amendments to Australian Accounting Standard – Key Management Personnel Disclosures by Disclosing Entities [AASB 124]

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

d. New accounting standards and interpretations

The following new standards (including reissued standards)/interpretations are applicable to future accounting periods:

AASB 3	Business Combinations
AASB 8	Operating Segments
AASB 101	Presentation of Financial Statements (issued September 2007)
AASB 123	Borrowing Costs
AASB 127	Consolidated and Separate Financial Statements
AASB 1004	Contributions
AASB 2007-2	Amendments to Australian Accounting Standards arising from AASB Interpretation 12 [AASB 1, AASB 117, AASB 118, AASB 120, AASB 121, AASB 127, AASB 131 & AASB 139]
AASB 2007-3	Amendments to Australian Accounting Standards arising from AASB 8
AASB 2007-6	Amendments to Australian Accounting Standards arising from AASB 123
AASB 2007-8	Amendments to Australian Accounting Standards arising from AASB 101
AASB 2007-9	Amendments to Australian Accounting Standards arising from the Review of AASs 27, 29 and 31 [AASB 3, AASB 5, AASB 8, AASB 101, AASB 114, AASB 116, AASB 127 & AASB 137]
AASB 2008-1	Amendments to Australian Accounting Standard - Share-based Payments: Vesting Conditions and Cancellations [AASB 2]
AASB 2008-2	Amendments to Australian Accounting Standards – Puttable Financial Instruments and Obligations arising on Liquidation [AASB 7, AASB 101, AASB 132, AASB 139 & Interpretation 2]
AASB 2008-3	Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127 [AASBs 1, 2, 4, 5, 7, 101, 107, 112, 114, 116, 121, 128, 131, 132, 133, 134, 136, 137, 138 & 139 and Interpretations 9 & 107]
Interp 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
Interp 4	Determining Whether an Arrangement Contains a Lease
Interp 12	Service Concession Arrangements
Interp 13	Customer Loyalty Programmes
Interp 14	AASB 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
Interp 129	Service Concession Arrangements Disclosures

These standards have not been early adopted by the Company and the Directors believe when they are adopted that their impact will not be material.

e. Economic Dependency

AER was established by its members on 17 October 2001 and *The Alcohol Education and Rehabilitation Account Act 2001* (the Act), a funding agreement dated 15 November 2001 with the Australian Government (the Agreement), and AER Constitution outline its purpose and objectives.

AER has an accumulated pool of funds which it is permitted to use for its continued existence.

AER has established a public fund to assist in ensuring the long term sustainability of AER.

f. Income Tax

AER is a not for profit organisation. AER applied for and obtained an exemption from the Commissioner for Taxation and accordingly does not account for Income Tax.

AER applied for and obtained Deductible Gift Recipient Status through the specific listing of AER as a deductible gift recipient in the *Income Tax Assessment Act 1997*.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

g. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost less any accumulated depreciation and impairment losses.

A capitalisation threshold of \$1,000 is adopted except where items aggregate to form part of larger items.

AER continues to exercise its right to elect the cost model, rather than the valuation model, under AASB 116 (29) in respect of property, plant and equipment.

Depreciation

The depreciable amount of all property, plant and equipment including buildings and capitalised leased assets, but excluding freehold land and properties held for investment purposes, is depreciated on a straight line basis over their estimated useful lives to AER commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of asset are:

Class of Asset	Depreciation Rate 2008	Depreciation Rate 2007
Computer equipment	25%-40%	25%-40%
Furniture and Fixtures	25%-40%	25%-40%
Telephone System	25%-40%	25%-40%
Other Property, Plant and Equipment	25%-40%	25%-40%
Motor Vehicles	22.5%	22.5%
	Amortisation Rate 2008	Amortisation Rate 2007
Computer software	25%-40%	25%-40%

Impairment of Assets

At each reporting date, AER reviews the carrying value of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. Impairment testing is performed annually for intangible assets with indefinite lives. Where it is not possible to estimate the recoverable amount of an individual asset, AER estimates the recoverable amount of the cash generating unit to which the asset belongs. If an indication of impairment exists, the recoverable amount of the asset is compared to the asset's carrying value. The recoverable amount is the higher of the asset's fair value less cost to sell, and value in use. Value in use is the present value of the future cash flows expected to be derived from the asset.

Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if AER were deprived of the asset, its value in use is taken to be its depreciated replacement cost. The asset is then written down to its recoverable amount through the Income Statement.

h. Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to AER are classified as finance leases. Finance leases are capitalised, recording an asset and a liability equal to the lower of fair value and the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that AER will obtain ownership of the asset or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives received under operating leases are recognised as a liability. Lease payments received reduce the liability.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

i. Employee Benefits

(i) Wages, salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of AER is estimated to be less than the annual benefit for sick leave.

Contributions are made by AER to a fully funded employee superannuation fund and are charged as expenses when incurred.

(ii) Long service leave

Long service leave is measured at the present value of the estimated future cash outflows to be made for those benefits.

Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

j. Cash and cash equivalents

Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less using the indirect method.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above.

k. Revenue

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

Payment refunds are recognised after the review of the final report and the financial acquittal provided for each individual grant awarded. A tax invoice is issued to the relevant grantee for the repayment of any unused funds provided. If funds can be used by the grantee within the project, the project is then extended and a contract variation entered into with the respective grantee and further payment milestones agreed. (Notes 2 (c), (d), (e) and (f)).

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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

Alcohol Education and Rehabilitation Foundation Ltd • ABN 91 096 854 385

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

I. Financial Instruments

Recognition

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

Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: *Financial Instruments: Recognition and Measurement*. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the Income Statement in the period in which they arise. Cashflows, for the purpose of the Cashflow Statement, are adjusted in respect of unrealised gains and losses.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models. The valuation is based on information independently provided by AER's investment management services provider. Financial investments at fair value comprise investments in the ordinary issued capital of various entities. There are no fixed returns or fixed maturity dates attached to these investments.

m. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of an asset or as part of an item of expense. Receivables and payables in the Balance Sheet are shown inclusive of GST

n. Comparative Figures

The comparative figures for AER's sixth year in operation 1 July 2006 to 30 June 2007 are shown. Where required by Accounting Standards, comparatives have been adjusted to conform to changes in presentation for the current financial year.

o. Critical accounting estimates and judgements

The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data.

Key Estimates:

Impairment

All assets are assessed for indicators of impairment each year. Refer to Note 1 g.

Provisions for Employee Benefits

Provisions for employee benefits are estimated on the basis of the present value of expected future cash outflows in respect of the services provided.

p. Related Party Disclosures

Directors associated with organisations during the financial year which may receive financial support from AER are Ian Webster, President, Governing Council of the Ted Noffs Foundation, Scott Wilson, an employee of the Aboriginal Drug and Alcohol Council (SA) Inc and David Crosbie, a previous employee of Odyssey House, Victoria.

Terms and Conditions:

Grants awarded to organisations that AER directors are directors and/or employees of are made at arms length and are under the same terms and conditions as all grantees of AER.

AER directors of the related parties were not involved in the decision making process of the grants awarded to those organisations. Details of those grants awarded are contained at Note 24.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
NOTE 2: REVENUES			
a. Asset Sales			
Motor Vehicle Sales		17,372	-
Total Asset Sale Revenue		17,372	-
b. Public Fund			
Donations		-	876
Gifts		15,705	14,368
Total Public Fund Revenue		15,705	15,244
c. 2001-2005 Strategies			
Payment Refunds (Contract Variations)			
Dr Maggie Brady		3,515	-
KASH		38,627	-
Total Contract Variations Revenue		42,142	-
d. 2001-2005 Strategies			
Payment Refunds			
Anglican Counselling Service		-	5,960
Drug Awareness & Relief Foundation		-	23,818
Ferdy's Haven		-	35,385
Glebe Youth Services		4,090	-
Goreta Aboriginal Corporation		25,423	-
Latrobe City Council		-	1,528
Livingstone Shire Council		-	2,700
Newcastle City Council		78	-

Alcohol Education and Rehabilitation Foundation Ltd • ABN 91 096 854 385

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
NOTE 2: REVENUES			
d. 2001-2005 Strategies			
Payment Refunds			
NSW Attorney General's		-	33,725
Pharmacy Guild of TAS		-	1,486
Port Augusta Hospital		-	5,531
Salvation Army (TAS)		6,790	-
Salvation Army (VIC)		4,287	-
VAADA		-	792
Victorian Deaf Society		-	551
Wirringa Baiya Aboriginal Womens LC		-	655
Youth Substance Abuse Service		4,878	-
Total Payment Refunds Revenue		45,546	112,131
e. 2006-2007 Strategies			
Payment Refunds			
Anglicare SA		-	19,000
Bethlehem Community Inc		-	35,000
Mullen; Jodie		3,996	-
Palmerston Association Inc		-	988
Pharmacy Guild of TAS		-	1,499
South Eastern Sydney and Illawarra HS		-	3,829
Top End Division of General Practice		3,479	-
Total Payment Refunds Revenue		7,475	60,316

Alcohol Education and Rehabilitation Foundation Ltd • ABN 91 096 854 385

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
NOTE 2: REVENUES			
f. 2008-2010 Strategies			
Payment Refunds			
Anglicare Victoria		531	-
Western Region Alcohol and Drug Centre		149	-
Total Payment Refunds Revenue		680	-
g. Finance Revenue			
Interest Income			
Public Fund		1,997	1,981
Operating/Trust Accounts		163,061	139,550
Total Interest Income		165,058	141,531
Investment Income			
Net Investment Income		3,985,483	6,857,457
GST on Brokerage		57,344	51,673
Tax Imputation Credits		239,689	490,742
Total Investment Income		4,282,516	7,399,872
Total Finance Revenue		4,447,574	7,541,403

Alcohol Education and Rehabilitation Foundation Ltd • ABN 91 096 854 385

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
NOTE 3: EXPENSES			
Surplus (Deficit) for the year has been determined after:			
a. Depreciation and amortisation of non-current assets			
Computer equipment		1,617	22,774
Furniture and fixtures		8,382	7,342
Telephone system		838	794
Other property, plant and equipment		867	818
Motor vehicles		30,601	30,030
Computer software		2,674	2,483
Total depreciation and amortisation		44,979	64,241
b. Provisions			
Written Off Debts		-	4,391
Total Provisions		-	4,391
c. Employee benefits expenses			
Wage accrual		10,202	6,473
Superannuation accrual		845	565
Leave accrual		6,120	20,229
Long Service Leave accrual		34,528	24,437
Other employee expenses		389	1,856
Wages and salaries		821,810	799,397
Superannuation-defined contribution		86,383	69,885
Workers compensation		6,727	7,148
Total employee benefits expenses		967,004	929,990

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
NOTE 3: EXPENSES			
d. Directors expenses			
Fees		144,500	149,500
Wages		53,000	53,000
Superannuation		4,770	4,804
Other expenses		30,012	96,129
Total directors expenses		232,282	303,433
e. Finance costs			
Operating leases			
Photocopier and Fax		8,590	8,683
Finance leases			
Motor vehicles		5,940	5,480
Total finance costs		14,530	14,163
f. Loss on disposal of assets			
Computers		-	418
Furniture and Fixtures		600	1,056
Net loss on disposal of assets		600	1,474
g. Other Expenses			
Investment management fees		247,605	-
Investment brokerage fees		211,927	-
Fair value movement financial investments		6,662,030	-
Foreign tax credits		4,114	-
Total Other expenses		7,125,676	-
h. Auditor remuneration			
Financial Statements Audit-ANAO		18,000	16,000
Total Auditor remuneration		18,000	16,000

Alcohol Education and Rehabilitation Foundation Ltd • ABN 91 096 854 385

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

NOTE 4: KEY MANAGEMENT PERSONNEL COMPENSATION

a. Details of Key Management Personnel

Directors

I Webster	Chair/Executive/Remuneration Committees
S Wilson	Deputy Chair/Executive/Remuneration/Audit Committees
C Bart	Director/Chair Audit Committee
T Costello	Director
D Crosbie	Director/Executive/Remuneration Committees
P d'Abbs	Director
A Mosey	Director/Executive/Remuneration Committees
B Tobin	Director/Audit Committee

Executives

D Smeaton	Company Secretary/Chief Executive Officer
T Purdam	Deputy Chief Executive Officer

	Note	2008 \$	2007 \$
b. Compensation of Key Management Personnel			
Short-term benefits			
Salary & Fees		531,256	520,320
Other Monetary benefits		51,082	48,820
Total Short-term benefits		582,338	569,140
Post employment benefits			
Superannuation		47,093	35,130
Total Post employment benefits		47,093	35,130
Total		629,431	604,270

Alcohol Education and Rehabilitation Foundation Ltd • ABN 91 096 854 385

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
NOTE 5: CASH AND CASH EQUIVALENTS			
The cash and cash equivalent assets comprise the following:			
Public Fund account		43,302	23,140
Operating account		282,435	55,204
Trust account		2,246,487	815,428
Petty cash account		89	203
Term deposits		20,376,141	32,680,812
Total Cash and Cash Equivalents		22,948,454	33,574,787
NOTE 6: TRADE AND OTHER RECEIVABLES			
Net GST receivable		287,342	373,067
Other receivables		46,357	4,569
Total Trade and Other Receivables		333,699	377,636
NOTE 7: ACCRUED REVENUE			
Interest accrued			
Operating/Trust accounts		12,078	392
Total Accrued Revenue		12,078	392
NOTE 8: OTHER ASSETS			
Imputation Credit refunds		271,914	468,110
Prepayments		20,708	15,620
Total Other Assets		292,622	483,730

Alcohol Education and Rehabilitation Foundation Ltd • ABN 91 096 854 385

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
NOTE 9: FINANCIAL INVESTMENTS AT FAIR VALUE			
Shares in listed corporations, at fair value		23,538,499	24,769,908
Total Financial investments at fair value.		23,538,499	24,769,908
NOTE 10: PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS			
a. Property, Plant and Equipment			
Non leased Property, Plant and Equipment			
Computer Equipment			
Computer Equipment at cost		128,594	137,674
Less accumulated depreciation		(104,528)	(114,935)
Total Computer Equipment		24,066	22,739
Furniture and Fixtures			
Furniture and Fixtures at cost		99,449	98,517
Less accumulated depreciation		(84,294)	(86,253)
Total Furniture and Fixtures		15,155	12,264
Telephone System			
Telephone System at cost		10,077	8,543
Less accumulated depreciation		(8,094)	(7,255)
Total Telephone System		1,983	1,288
Other Property, Plant and Equipment			
Other Property, Plant and Equipment at cost		8,495	8,365
Less accumulated depreciation		(8,198)	(7,353)
Total Other Property, Plant and Equipment		297	1,012

Alcohol Education and Rehabilitation Foundation Ltd • ABN 91 096 854 385

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
NOTE 10: PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS			
a. Property, Plant and Equipment			
Leased Property, Plant and Equipment			
Motor Vehicles			
Motor Vehicles at cost		91,780	90,088
Less accumulated depreciation		(23,069)	(51,331)
Total Motor Vehicles		68,711	38,757
Total Property, Plant and Equipment		110,212	76,060
b. Intangible Assets			
Computer software			
Computer software at cost		53,130	40,104
Less accumulated amortisation		(40,295)	(37,622)
Total Computer software		12,835	2,482
Total Intangible Assets		12,835	2,482
c. Movements in Carrying Amounts			
Movements in the carrying amounts for each class of property, plant and equipment and intangible assets between the beginning and the end of the current financial year			
Property, Plant and Equipment			
Computer Equipment			
Balance at the beginning of the year		22,739	44,038
Additions		2,944	1,893
Disposals		-	(418)
Revaluation increments/ (decrements)		-	-
Depreciation expense		(1,617)	(22,774)
Carrying amount at the end of the year		24,066	22,739

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
NOTE 10: PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS			
c. Movements in Carrying Amounts			
Furniture and Fixtures			
Balance at the beginning of the year		12,264	16,080
Additions		11,873	4,582
Disposals		(600)	(1,056)
Revaluation increments/ (decrements)		-	-
Depreciation expense		(8,382)	(7,342)
Carrying amount at the end of the year		15,155	12,264
Telephone System			
Balance at the beginning of the year		1,288	1,384
Additions		1,533	698
Disposals		-	-
Revaluation increments/ (decrements)		-	-
Depreciation expense		(838)	(794)
Carrying amount at the end of the year		1,983	1,288
Other Property, Plant and Equipment			
Balance at the beginning of the year		1,012	1,639
Additions		152	191
Disposals		-	-
Revaluation increments/ (decrements)		-	-
Depreciation expense		(867)	(818)
Carrying amount at the end of the year		297	1,012

Alcohol Education and Rehabilitation Foundation Ltd • ABN 91 096 854 385

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
NOTE 10: PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS			
c. Movements in Carrying Amounts			
Motor Vehicles			
Balance at the beginning of the year		38,757	68,787
Additions		91,780	-
Disposals		(31,225)	-
Revaluation increments/ (decrements)		-	-
Depreciation expense		(30,601)	(30,030)
Carrying amount at the end of the year		68,711	38,757
Intangible Assets			
Computer software			
Balance at the beginning of the year		2,482	4,965
Additions		13,027	-
Disposals		-	-
Revaluation increments/ (decrements)		-	-
Amortisation expense		(2,674)	(2,483)
Carrying amount at the end of the year		12,835	2,482
Total Movements			
Balance at the beginning of the year		78,542	136,893
Additions		121,309	7,364
Disposals		(31,825)	(1,474)
Revaluation increments/(decrements)		-	-
Depreciation/Amortisation expense		(44,979)	(64,241)
Total carrying amount at the end of the year		123,047	78,542

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
NOTE 11: TRADE AND OTHER PAYABLES			
CURRENT			
Payables		9,980	-
Accrued expenses		108,623	130,177
PAYG liability		17,289	20,453
Total Trade and Other Payables		135,892	150,630
NOTE 12 : INTEREST BEARING LIABILITIES			
CURRENT			
Bank credit card	22	36,984	41,438
Hire purchase liability	16	21,180	23,956
Total Current		58,164	65,394
NON CURRENT			
Hire purchase liability	16	63,528	41,053
Total non current		63,528	41,053
Total Interest Bearing Liabilities		121,692	106,447

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
NOTE 13: PROVISIONS			
CURRENT			
Employee benefits			
Opening balance		36,366	28,167
Additions		44,743	41,791
Amounts charged		(31,949)	(33,592)
Closing balance		49,160	36,366
NON-CURRENT			
Employee benefits			
Opening balance		110,163	77,634
Additions		64,357	52,298
Amounts charged		(27,381)	(19,769)
Closing balance		147,139	110,163
a. Aggregate employee benefit liability		196,299	146,529
b. Number of employees at year end		11	11

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
NOTE 14: RESERVES			
General Reserve			
The general reserve records trust funds set aside for Strategies payments and future AER strategic directions.			
Unspent Trust Funds			
Movements during the year			
Opening balance		45,010,440	58,598,301
Plus Transfer to Retained Surpluses		(7,841,857)	(13,587,861)
Closing balance		37,168,583	45,010,440
Trust Funds			
Opening balance		45,010,440	58,598,301
Plus 2001-2005 Strategies payment refunds	2d	45,546	112,131
Plus 2006-2007 Strategies payment refunds	2e	7,475	60,316
Plus 2008-2010 Strategies payment refunds	2f	680	-
Plus Interest received		-	-
Net Trust Funds		45,064,141	58,770,748
Less Strategies payments made	17	(7,895,558)	(13,760,308)
Unspent Trust Funds closing balance		37,168,583	45,010,440
NOTE 15: RETAINED SURPLUSES			
Retained surpluses at beginning of financial year		13,870,949	8,064,107
Operating deficit		(12,086,873)	(7,781,019)
Transfer from general reserves	14	7,841,857	13,587,861
Retained surpluses at the end of the financial year		9,625,933	13,870,949

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
NOTE 16: CAPITAL AND FINANCING COMMITMENTS			
a. Hire Purchase Commitments			
Payable			
— not later than 1 year		27,674	27,803
— later than 1 year but not later than 5 years		69,057	41,950
Minimum Hire Purchase payments		96,731	69,753
Less future finance charges		(12,023)	(4,744)
Total Hire Purchase Liability		84,708	65,009
Current			
Hire Purchase liability	12	21,180	23,956
Non Current			
Hire purchase liability	12	63,528	41,053
Total Hire Purchase Liability		84,708	65,009

Hire Purchase exists in relation to the motor vehicle supplied in terms of an employment contract.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

Note	2008	2007
	\$	\$

NOTE 16: CAPITAL AND FINANCING COMMITMENTS

b. Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements:

Payable

— not later than 1 year	85,680	83,437
— later than 1 year but not later than 5 years	17,242	92,174
Minimum Operating Lease Commitments	102,922	175,611
Total Operating Lease Commitments	102,922	175,611

The photocopier lease is a non-cancellable lease with a five year term, with rent payable monthly in advance on a fixed monthly instalment for the term of the lease. The equipment is to be returned to the lessee on expiration or termination of the lease.

The property lease is a non-cancellable lease with a three-year term, with rent payable monthly in advance. Rental provisions within the property lease agreement require that the minimum lease payments shall be increased by 3% per annum in July each year. An option exists to renew the lease at the end of the three-year term for an additional term of two years.

NOTE 17: PROJECT COMMITMENTS

Approvals

As at 30 June 2008, AER is committed to providing to grantees a further \$11,980,767. These payments are subject to the grantees meeting the terms of their respective funding agreements. The full terms of approval were not complied with at that date. The committed trust funds have not been expensed in the Income Statement. If the committed trust funds were included then the balance of unspent trust funds would amount to \$25,187,816.

a. Summary	2008	2007
	\$	\$
Balance at the beginning of year	17,963,245	24,112,187
New approvals	2,619,606	8,207,988
Total payable	20,582,851	32,320,175
Less amounts paid	(7,895,558)	(13,760,308)
Less amounts unutilised	(706,526)	(596,622)
Balance Payable	11,980,767	17,963,245

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Opening Balance 2008 \$	Approved 2008 \$	Payments 2008 \$	Unutilised Approvals 2008 \$	Balance Payable 2008 \$
NOTE 17: PROJECT COMMITMENTS					
b. 2001-2005 Strategies					
Individual Grantee Details					
TREATMENT AND REHABILITATION					
Australian Capital Territory					
AERF-Pharmacotherapy meta-evaluation	150,335	-	39,896	-	110,439
WIREDD-Toora Women Incorporated	51,873	-	38,500	6,717	6,656
Total Australian Capital Territory	202,208	-	78,396	6,717	117,095
New South Wales					
Aroonba Aboriginal Corporation	293	-	-	-	293
Drug and Alcohol Nurses of Australasia	1,000	-	-	-	1,000
Family Drug Support	2,000	-	2,000	-	-
Guthrie House Co-operative Ltd	81,000	-	5,500	75,500	-
Hillsong Emerge	9,030	-	9,030	-	-
Mission Australia	8,333	-	8,333	-	-
Odyssey House McGrath	1,000	-	-	-	1,000
Oolong Aboriginal Corporation Inc	5,575	-	1,595	3,980	-
South Western Sydney Area HS	3,000	-	3,000	-	-
St Vincent's-The Alcohol and Drug Service	9,000	-	-	-	9,000
Sydney West Area Health Service	82,265	(82,265)	-	-	-
Ted Noffs Foundation	74,703	-	-	-	74,703
The Buttery Incorporated	57,446	-	45,292	12,154	-
The Construction Industry D and A Foundation	3,031	-	-	-	3,031
The Lyndon Community	9,900	-	9,900	-	-
The University of New South Wales	12,616	-	-	-	12,616

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Opening Balance 2008 \$	Approved 2008 \$	Payments 2008 \$	Unutilised Approvals 2008 \$	Balance Payable 2008 \$
NOTE 17: PROJECT COMMITMENTS					
b. 2001-2005 Strategies					
Individual Grantee Details					
TREATMENT AND REHABILITATION					
The University of Sydney	113,940	193,888	217,295	-	90,533
Weigelli Aboriginal Corporation	4,000	-	-	-	4,000
We Help Ourselves	275,000	-	-	-	275,000
Western Sydney Division of General Practice	105,000	-	-	-	105,000
Total New South Wales	858,132	111,623	301,945	91,634	576,176
Northern Territory					
Alcohol Awareness and FR	72,849	-	-	72,849	-
CAAPS	20,552	-	-	10,552	10,000
Forster Foundation for Drug Rehabilitation Inc	14,250	-	13,901	349	-
Ipurla Aboriginal Corporation	90,000	-	80,000	-	10,000
Menzies School of Health Research	500	-	-	-	500
Mt Theo-Yuendumu	8,000	-	6,200	1,800	-
Tangentyere Council Inc	144,813	-	-	11,000	133,813
Total Northern Territory	350,964	-	100,101	96,550	154,313
Queensland					
Aborigines and Islanders Alcohol Relief Service	7,819	-	-	-	7,819
Brisbane Youth Services	10,000	-	10,000	-	-
Congress Community Development and Education Unit	271,612	-	-	-	271,612
Department of Premier and Cabinet	9,632	-	-	9,632	-
Korrawinga Aboriginal Corporation	138,043	-	-	23,033	115,010
Mt Isa Volatile Substance Misuse	12,500	-	-	-	12,500

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Opening Balance 2008 \$	Approved 2008 \$	Payments 2008 \$	Unutilised Approvals 2008 \$	Balance Payable 2008 \$
NOTE 17: PROJECT COMMITMENTS					
b. 2001-2005 Strategies					
Individual Grantee Details					
TREATMENT AND REHABILITATION					
Ozcare	16,600	-	-	-	16,600
Pormur Paanth Aboriginal Corporation	155,000	-	-	8,260	146,740
The Salvation Army	165,000	-	90,000	2,208	72,792
Wu Chopperen HS Ltd	4,999	-	4,604	395	-
Total Queensland	791,205	-	104,604	43,528	643,073
South Australia					
ADAC of SA Inc	1,072	-	-	-	1,072
Anglicare SA Incorporated	37,175	-	12,098	25,077	-
NCETA	31,814	-	-	-	31,814
Northern Area Community and Youth Services Inc	1,110	-	-	1,110	-
OARS SA	43,600	-	20,000	23,600	-
SANDAS	3,200	-	-	-	3,200
Uniting Care Wesley Adelaide Inc	5,921	-	5,921	-	-
University of Adelaide	4,226	-	-	-	4,226
Total South Australia	128,118	-	38,019	49,787	40,312
Tasmania					
Drug Education Network	82,005	-	72,005	-	10,000
Tasmanian Department of Health and Human Services	40,000	-	-	25,000	15,000
Salvation Army	17,698	-	-	10,000	7,698
Total Tasmania	139,703	-	72,005	35,000	32,698

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Opening Balance 2008 \$	Approved 2008 \$	Payments 2008 \$	Unutilised Approvals 2008 \$	Balance Payable 2008 \$
NOTE 17: PROJECT COMMITMENTS					
b. 2001-2005 Strategies					
Individual Grantee Details					
TREATMENT AND REHABILITATION					
Victoria					
ARCAB-Western Region A & D Centre	7,319	-	-	-	7,319
Baysa Limited-Baysa Youth Services	36,640	-	-	15,217	21,423
Bendigo and District Division of General Practice	150,000	-	137,500	-	12,500
Deakin University	67,370	-	60,370	-	7,000
Glenelg Southern Grampians DTS	8,800	-	8,800	-	-
Grampians Community Health Centre Inc	134,977	-	-	-	134,977
Kingston City Church	12,500	-	12,500	-	-
Njerda Aboriginal Corporation	183,367	-	-	-	183,367
Odyssey House Victoria	100,000	-	100,000	-	-
Odyssey Institute of Studies	40,726	-	40,726	-	-
Orygen Research Centre	23,250	-	13,250	-	10,000
Southern Health	86,489	-	-	-	86,489
St Vincent's Hospital-Dr A Dent	9,358	-	3,256	6,102	-
The Salvation Army (VIC)	8,000	-	-	8,000	-
Turning Point Drug and Alcohol Centre	28,623	-	18,500	214	9,909
Western Region ADC	24,000	-	23,688	312	-
Youth Substance Abuse Service	168,000	-	145,000	10,000	13,000
Total Victoria	1,089,419	-	563,590	39,845	485,984

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Opening Balance 2008 \$	Approved 2008 \$	Payments 2008 \$	Unutilised Approvals 2008 \$	Balance Payable 2008 \$
NOTE 17: PROJECT COMMITMENTS					
b. 2001-2005 Strategies					
Individual Grantee Details					
TREATMENT AND REHABILITATION					
Western Australia					
Collie Health Service	3,440	-	-	3,440	-
Curtin University of Technology-NDRI	62,893	-	-	24,745	38,148
Drug and Alcohol Office	3,000	-	-	-	3,000
John Wale	4,000	-	-	-	4,000
Kimberley Aboriginal Law and Culture Centre	10,000	-	10,000	-	-
Mission Australia	15,663	-	-	2,325	13,338
Palmerston Associaton Inc	63,103	-	63,103	-	-
Salvation Army Bridge	152,026	-	130,000	2,212	19,814
WA Council on Addiction Inc	9,800	-	9,800	-	-
Total Western Australia	323,925	-	212,903	32,722	78,300
Total Treatment and Rehabilitation	3,883,674	111,623	1,471,563	395,783	2,127,951

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Opening Balance 2008 \$	Approved 2008 \$	Payments 2008 \$	Unutilised Approvals 2008 \$	Balance Payable 2008 \$
NOTE 17: PROJECT COMMITMENTS					
b. 2001-2005 Strategies					
Individual Grantee Details					
PREVENTION					
Australian Capital Territory					
ADCA	164,633	-	-	-	164,633
AER Business Plan 2001-2005 Strategic Funding	600,000	(18,163)	82,955	-	498,882
Australian Division of GP'S	102,692	-	92,000	-	10,692
Dr Maggie Brady	5,000	3,515	-	-	8,515
Total Australian Capital Territory	872,325	(14,648)	174,955	-	682,722
New South Wales					
Arts North West	10,000	-	10,000	-	-
DAMEC	10,000	-	-	-	10,000
International Society for Biomedical Research on Alcoholism	2,000	-	-	2,000	-
Macquarie University	2,160	-	-	-	2,160
NDARC	59,786	-	15,000	-	44,786
Newcastle City Council	10,000	-	10,000	-	-
NSW Department of Health	910,000	-	901,000	-	9,000
Queanbeyan West Public School	11,440	-	-	-	11,440
Royal Prince Alfred Hospital	4,284	-	-	-	4,284
South West Sydney AHS	119,690	(111,623)	-	-	8,067
University of Newcastle	931,797	-	-	-	931,797
University of Sydney	175,000	-	-	-	175,000
Vibe Australia	110,000	-	100,000	-	10,000
Total New South Wales	2,356,157	(111,623)	1,036,000	2,000	1,206,534

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Opening Balance 2008 \$	Approved 2008 \$	Payments 2008 \$	Unutilised Approvals 2008 \$	Balance Payable 2008 \$
NOTE 17: PROJECT COMMITMENTS					
b. 2001-2005 Strategies					
Individual Grantee Details					
PREVENTION					
Northern Territory					
AFL Central Australia	50,000	-	40,000	-	10,000
Central Australian Aboriginal Congress	2,435	-	-	-	2,435
Djabulukgu Association	140,000	-	120,000	-	20,000
Gumatj Association Inc-Gunyangara Men's Group	142,000	(123,635)	18,365	-	-
YMCA Katherine	247,013	-	222,013	-	25,000
Yeulamu Community Council Inc	1,000	-	-	1,000	-
Yothu Yindu Foundation	-	141,799	100,000	-	41,799
Yuendumu Womens Centre	4,000	-	-	4,000	-
Total Northern Territory	586,448	18,164	500,378	5,000	99,234
Queensland					
Apunipima Cape York Health Council	3,543	-	-	-	3,543
Drug Arm Australasia	10,000	-	10,000	-	-
Nicki Gazis/QLD University	2,350	-	-	-	2,350
James Cook University	2,000	-	2,000	-	-
KASH	21,260	38,627	-	-	59,887
Keriba-Mina TSIC for Development	1,800	-	-	-	1,800
Ozcare	2,946	-	-	-	2,946
The University of Qld	21,795	-	18,795	-	3,000
Total Queensland	65,694	38,627	30,795	-	73,526

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Opening Balance 2008 \$	Approved 2008 \$	Payments 2008 \$	Unutilised Approvals 2008 \$	Balance Payable 2008 \$
NOTE 17: PROJECT COMMITMENTS					
b. 2001-2005 Strategies					
Individual Grantee Details					
PREVENTION					
South Australia					
ADAC of SA Inc	1,000	-	1,000	-	-
Alzheimers Australia SA Inc	100,000	-	-	-	100,000
Life Education Australia	25,685	-	25,685	-	-
Mission Australia's Hindmarsh Centre	240	-	-	-	240
Port Lincoln Aboriginal Community Inc	60,436	-	-	-	60,436
Vietnamese Community in Australia	10,000	-	10,000	-	-
Wakefield Health	20,000	-	-	-	20,000
YWCA of Adelaide Inc	5,000	-	5,000	-	-
Total South Australia	222,361	-	41,685	-	180,676
Tasmania					
Community Connections Inc	10,000	-	10,000	-	-
Total Tasmania	10,000	-	10,000	-	-
Victoria					
Baysa Youth Services	13,323	-	-	9,523	3,800
Breaking the Barriers Action Group	800	-	800	-	-
Erin Crowley	1,900	-	439	1,461	-
Murdoch Children's Research Institute	15,000	-	-	-	15,000
Peninsula Health-Drug & Alcohol Program	500	-	-	500	-
Southern Health	10,000	-	10,000	-	-

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Opening Balance 2008 \$	Approved 2008 \$	Payments 2008 \$	Unutilised Approvals 2008 \$	Balance Payable 2008 \$
NOTE 17: PROJECT COMMITMENTS					
b. 2001-2005 Strategies					
Individual Grantee Details					
PREVENTION					
Turning Point Drug and Alcohol Centre	688,763	-	300,000	-	388,763
University of Melbourne	4,071	-	4,071	-	-
Victorian Government	1,015,000	-	-	-	1,015,000
Western Health through DASWest Youth Services	500	-	500	-	-
Western Region Alcohol and Drug Centre	500	-	500	-	-
Total Victoria	1,750,357	-	316,310	11,484	1,422,563
Western Australia					
City of Kalgoorlie Boulder	5,000	-	-	-	5,000
Curtin University of Technology	299,664	-	200,000	-	99,664
Greater Bunbury Division of GP's	20,000	-	-	-	20,000
Kimberley Community DST	276,692	-	138,222	35,000	103,470
NDRI Indigenous Traineeship	60,738	-	55,707	-	5,031
Noongar/Alcohol Substance Abuse Service	1,000	-	-	-	1,000
Royal Life Saving Society WA	40,000	-	10,000	30,000	-
Shire of Halls Creek	20,000	-	-	-	20,000
Telethon Institute	50,000	-	-	-	50,000
Total Western Australia	773,094	-	403,929	65,000	304,165
Total Prevention	6,636,436	(69,480)	2,514,052	83,484	3,969,420

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Opening Balance 2008 \$	Approved 2008 \$	Payments 2008 \$	Unutilised Approvals 2008 \$	Balance Payable 2008 \$
NOTE 17: PROJECT COMMITMENTS					
b. 2001-2005 Strategies					
Individual Grantee Details					
PUBLIC EDUCATION					
Australian Capital Territory					
Australian Associated Brewers Inc	9,091	-	-	-	9,091
Australian Sports Medicine Federation	5,000	-	5,000	-	-
Total Australian Capital Territory	14,091	-	5,000	-	9,091
New South Wales					
Community Broadcasting Association of Australia	20,000	-	20,000	-	-
DAMEC	8,000	-	-	-	8,000
Greater Western Area Health Service	2,000	-	-	-	2,000
Historic Houses Trust of NSW	1,180	-	-	-	1,180
Hunter Centre for H A	10,000	-	-	-	10,000
MDECC	15,278	-	-	278	15,000
Newcastle City Council	11,800	-	-	1,800	10,000
NSW Department of Health	415,000	-	-	-	415,000
Total New South Wales	483,258	-	20,000	2,078	461,180
Northern Territory					
Central Australian Aboriginal Media Association	10,000	-	1,287	8,713	-
Council for Aboriginal Alcohol Programme Services Inc	9,000	-	-	-	9,000
Walungurra Community Council Aboriginal Corporation	-	-	1,818	(1,818)	-
Total Northern Territory	19,000	-	3,105	6,895	9,000

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Opening Balance 2008 \$	Approved 2008 \$	Payments 2008 \$	Unutilised Approvals 2008 \$	Balance Payable 2008 \$
NOTE 17: PROJECT COMMITMENTS					
b. 2001-2005 Strategies					
Individual Grantee Details					
PUBLIC EDUCATION					
Queensland					
Perry Shire Council	257	-	-	257	-
QLD Health	10,593	-	-	-	10,593
South Burnett CTC Youth Services	20,000	-	20,000	-	-
Total Queensland	30,850	-	20,000	257	10,593
South Australia					
ADAC HOSW 2004	2,500	-	2,500	-	-
Booleroo Centre DH and HS Inc	5,000	-	-	5,000	-
Total South Australia	7,500	-	2,500	5,000	-
Tasmania					
University of Tasmania	20,000	-	-	-	20,000
Total Tasmania	20,000	-	-	-	20,000
Victoria					
Cobaw Community Health Service	60,000	-	-	-	60,000
Grampians Community Health Centre	70,000	-	60,000	-	10,000
Odyssey Institute of Studies	4,642	-	-	-	4,642
Self Help Addiction Resource Centre Inc	5,000	-	-	-	5,000
Sunraysia Community Health Service	250	-	-	250	-
VAADA NADA WANADA	125,000	-	-	-	125,000
Vic Arabic Social Service	8,000	-	7,430	570	-
Total Victoria	272,892	-	67,430	820	204,642

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Opening Balance 2008 \$	Approved 2008 \$	Payments 2008 \$	Unutilised Approvals 2008 \$	Balance Payable 2008 \$
NOTE 17: PROJECT COMMITMENTS					
d. 2006-2007 Strategies					
Individual Beneficiary Details					
A CHANGE IN COMMUNITY ATTITUDES					
Australian Capital Territory					
AER Business Plan 2006-2007 Strategic Funding	1,003,002	(554,000)	307,381	-	141,621
Total Australian Capital Territory	1,003,002	(554,000)	307,381	-	141,621
New South Wales					
RADD Australia Limited	12,500	-	12,500	-	-
Total New South Wales	12,500	-	12,500	-	-
Victoria					
Australian Drug Foundation	333,694	-	193,175	120,000	20,519
Focal Promotions Pty Ltd	250,000	-	230,000	-	20,000
Turning Point Alcohol and Drug Centre	-	554,000	200,000	-	354,000
Total Victoria	583,694	554,000	623,175	120,000	394,519
Western Australia					
Curtin University of Technology	317	-	-	-	317
Total Western Australia	317	-	-	-	317
Total A Change in Community Attitudes	1,599,513	-	943,056	120,000	536,457

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FOR THE YEAR ENDED 30 JUNE 2008

	Opening Balance 2008 \$	Approved 2008 \$	Payments 2008 \$	Unutilised Approvals 2008 \$	Balance Payable 2008 \$
NOTE 17: PROJECT COMMITMENTS					
d. 2006-2007 Strategies					
Individual Beneficiary Details					
INCREASE THE SECTOR'S CAPACITY TO REDUCE ALCOHOL RELATED HARMS					
Australian Capital Territory					
ADCA	75,210	-	67,675	-	7,535
ADFACT	33,110	-	13,000	-	20,110
AER Business Plan 2006-2007 Strategic Funding	534,520	(245,530)	38,774	-	250,216
Total Australian Capital Territory	642,840	(245,530)	119,449	-	277,861
New South Wales					
Adele Dundas Inc	5,000	-	-	-	5,000
Association of Drug Referral Centres Ltd	9,620	-	6,162	2,458	1,000
Australian Red Cross	1,000	-	-	-	1,000
Australasian Therapeutic Communities Association	28,549	-	26,483	1,066	1,000
Citycare Newcastle	74,050	-	-	-	74,050
FADISS	7,500	-	-	-	7,500
Hillsong Emerge Ltd	9,671	-	7,671	-	2,000
Home Detoxification Service	495	-	-	495	-
Hornsby Shire Council	1,000	-	-	-	1,000
Hunter England Area Health Service	1,795	-	1,795	-	-
Kamira Farm Rehabilitation Centre	1,000	-	1,000	-	-
Life Education Australia	37,000	-	-	-	37,000
Macarthur Drug and Alcohol Services Committee	120	-	-	-	120
Manly Drug Education and Counselling Centre	3,000	-	-	2,000	1,000
Miyagan Aboriginal Development Association	1,119	-	-	-	1,119

Alcohol Education and Rehabilitation Foundation Ltd • ABN 91 096 854 385

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Opening Balance 2008 \$	Approved 2008 \$	Payments 2008 \$	Unutilised Approvals 2008 \$	Balance Payable 2008 \$
NOTE 17: PROJECT COMMITMENTS					
d. 2006-2007 Strategies					
Individual Beneficiary Details					
INCREASE THE SECTOR'S CAPACITY TO					
REDUCE ALCOHOL RELATED HARMS					
NADA	92,670	35,530	74,000	19,200	35,000
O'Connor House Alcohol Detoxification and Rehabilitation Unit	495	-	-	495	-
Phoebe House Incorporated	9,350	-	8,316	1,034	-
South East Sydney Illawarra Health	1,000	-	179	821	-
South Sydney Youth Services	10,858	-	10,858	-	-
The Buttery Incorporated	29,925	-	28,346	1,579	-
The Construction Industry Drug and Alcohol Foundation	2,970	-	-	-	2,970
The Peppers Illicit Drug Therapeutic Community	495	-	-	495	-
The Salvation Army	1,000	-	-	-	1,000
The Ted Noffs Foundation	32,500	-	23,500	-	9,000
The University of Sydney	1,000	-	1,000	-	-
UCA-Wayside Chapel	5,500	-	-	-	5,500
Waverley Action for Youth Services	13,590	-	1,000	-	12,590
Wollongong Crisis Centre D & A Services Inc	6,000	-	6,000	-	-
Total New South Wales	388,272	35,530	196,310	29,643	197,849
Northern Territory					
Alcohol Programmes Unit (CAAODIAG)	-	35,000	-	-	35,000
Council for Aboriginal Alcohol Program Services Inc	7,605	2,395	10,000	-	-
Ilpurla Community	16,000	-	-	-	16,000
Millngimbi Community Inc	21,000	-	21,000	-	-

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Opening Balance 2008 \$	Approved 2008 \$	Payments 2008 \$	Unutilised Approvals 2008 \$	Balance Payable 2008 \$
NOTE 17: PROJECT COMMITMENTS					
d. 2006-2007 Strategies					
Individual Beneficiary Details					
INCREASE THE SECTOR'S CAPACITY TO					
REDUCE ALCOHOL RELATED HARMS					
Mt Theo Yuendumu Substance Misuse	25,000	-	9,000	-	16,000
Shilton Helen	837	-	837	-	-
Tangentyere Council Inc	4,843	-	1,000	2,843	1,000
Teen Challenge Centralia	1,000	-	-	-	1,000
Top End Division of General Practice	25,000	-	17,000	8,000	-
Total Northern Territory	101,285	37,395	58,837	10,843	69,000
Queensland					
Alcohol and Drug Foundation QLD	35,840	-	35,182	658	0
Australian Red Cross Society	1,000	-	-	-	1,000
Drug Arm Australasia	7,500	-	6,754	746	-
Gindaja Substance Misuse Aboriginal Corporation	7,402	-	7,402	-	-
Gold Coast Drug Council Inc	4,774	-	4,774	-	-
James Cook University	5,132	-	-	5,132	-
Mothers Crying Out for Help Group	1,315	-	1,315	-	-
Mullen Jodie	1,000	-	-	1,000	-
Northern Aboriginal & Torres Strait Islander Health Alliance	10,000	-	10,000	-	-
Queensland Network of Drug and Alcohol Agencies	-	35,000	-	-	35,000
Queensland Police Service	20,000	-	-	-	20,000
The University of Queensland	3,725	-	3,725	-	-
Total Queensland	97,688	35,000	69,152	7,536	56,000

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Opening Balance 2008 \$	Approved 2008 \$	Payments 2008 \$	Unutilised Approvals 2008 \$	Balance Payable 2008 \$
NOTE 17: PROJECT COMMITMENTS					
d. 2006-2007 Strategies					
Individual Beneficiary Details					
INCREASE THE SECTOR'S CAPACITY TO					
REDUCE ALCOHOL RELATED HARMS					
South Australia					
Aboriginal Sobriety Group Inc.	15,476	-	15,476	-	-
Aboriginal Drug and Alcohol Council (SA) Inc	2,308	-	2,308	-	-
Catholic Family Services	1,000	-	-	-	1,000
Muna Paiendi Community Health Centre	15,476	-	15,476	-	-
OARS SA	-	3,040	2,848	192	-
RDNS	2,000	-	2,000	-	-
SANDAS	14,400	35,000	7,400	-	42,000
Southern Adelaide Health Service (DASSA)	4,913	-	4,377	536	-
Uniting Care Wesley Bowden	1,000	-	-	-	1,000
Vietnamese Community In Australia (SA Chapter)	52,000	-	18,750	-	33,250
Total South Australia	108,574	38,040	68,635	729	77,250
Tasmania					
Alcohol Tobacco and other Drug Council (TAS)	20,850	35,000	13,850	-	42,000
Drug Education Network Inc	1,000	-	1,000	-	-
Holyoake Tasmania	1,000	-	1,000	-	-
Pharmacy Guild of Australia TAS Branch	36,608	-	35,555	1,053	-
Total Tasmania	59,458	35,000	51,405	1,053	42,000
Victoria					
Arbias Ltd	26,000	-	25,846	154	-
Australian Community Support Organisation- P Stevens-Jones	20,000	-	-	-	20,000

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Opening Balance 2008 \$	Approved 2008 \$	Payments 2008 \$	Unutilised Approvals 2008 \$	Balance Payable 2008 \$
NOTE 17: PROJECT COMMITMENTS					
d. 2006-2007 Strategies					
Individual Beneficiary Details					
INCREASE THE SECTOR'S CAPACITY TO					
REDUCE ALCOHOL RELATED HARMS					
Baysa Youth Services	23,620	-	2,907	593	20,120
Bendigo Community Health Services Inc	2,281	-	2,281	-	-
City of Ballarat	1,000	-	1,000	-	-
Cobaw Community Health Service	675	-	675	-	-
DANA	21,000	-	-	-	21,000
DasWest	494	-	-	-	494
Eastern Access Community Health Inc	3,000	-	-	-	3,000
Glastonbury Child and Family Services	4,865	-	-	-	4,865
Inner East Community Health Service	6,000	-	5,684	316	-
La Trobe University	1,000	-	922	78	-
Lane Nicolle Carmen	1,000	-	-	-	1,000
Melbourne Health	20,000	-	19,000	-	1,000
Ngwala Willumbong Cooperative Limited	13,850	-	1,000	-	12,850
Njerda Aboriginal Corporation	6,610	-	-	6,610	-
Self Help Addiction Resource Centre Inc	20,650	-	20,650	-	-
Stride Foundation Ltd	32,360	-	25,360	-	7,000
St Vincents Hospital Melbourne	2,000	-	1,000	-	1,000
Task force Community Agency	32,000	500	32,500	-	-
The Bouyancy Foundation of VIC Inc	24,590	-	17,090	-	7,500
Turning Point Alcohol and Drug Centre	91,118	-	52,995	1,723	36,400
Uniting Care Moreland Hall	15,000	-	-	-	15,000
Victorian Aboriginal Health Service Co-operative Ltd	1,500	-	-	-	1,500

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Opening Balance 2008 \$	Approved 2008 \$	Payments 2008 \$	Unutilised Approvals 2008 \$	Balance Payable 2008 \$
NOTE 17: PROJECT COMMITMENTS					
d. 2006-2007 Strategies					
Individual Beneficiary Details					
INCREASE THE SECTOR'S CAPACITY TO					
REDUCE ALCOHOL RELATED HARMS					
Victorian Alcohol and Drug Association	1,000	35,000	1,000	-	35,000
Western Region Alcohol and Drug Centre	1,000	-	1,000	-	-
Whitehorse Community Health Service	150	-	-	-	150
Windana	5,000	-	-	-	5,000
Youth Substance Abuse Service	28,218	-	22,218	-	6,000
Total Victoria	405,981	35,500	233,128	9,474	198,879
Western Australia					
APSAD	21,000	-	-	-	21,000
Curtin University Of Technology	1,000	-	-	1,000	-
Centacare Family Services-Ehlers Esme	1,000	-	-	-	1,000
Holyoake Institute for Alcohol and Drug Addiction	1,000	-	-	-	1,000
KLACC	-	3,992	3,902	-	90
Palmerston Association Inc	2,000	-	1,000	-	1,000
Serenity Lodge Incorporated	25,000	-	25,000	-	-
UnitingCare West	4,540	-	3,242	1,298	-
Uniting Church in Australia Property Trust	75,000	-	65,000	-	10,000
WA Alcohol and Drug Authority	17,600	-	14,325	3,275	-
WA Council on Addictions	3,000	-	-	-	3,000
WANADA	37,000	35,000	37,000	-	35,000
Total Western Australia	188,140	38,992	149,469	5,573	72,090
Total Increase the Sector's Capacity to Reduce Alcohol Related Harms	1,992,237	9,927	946,383	64,852	990,929

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Opening Balance 2008 \$	Approved 2008 \$	Payments 2008 \$	Unutilised Approvals 2008 \$	Balance Payable 2008 \$
NOTE 17: PROJECT COMMITMENTS					
d. 2006-2007 Strategies					
Individual Beneficiary Details					
PROMOTE GOOD PRACTICE OUTCOMES					
Australian Capital Territory					
AER Business Plan 2006-2007 Strategic Funding	372,082	-	16,750	-	355,332
Australian National University-M Brady	5,000	-	-	-	5,000
Total Australian Capital Territory	377,082	-	16,750	-	360,332
Queensland					
University of Queensland	3,167	-	3,167	-	-
Total Queensland	3,167	-	3,167	-	-
South Australia					
South Australian Government Policy Partnership	2,100,000	-	800,000	-	1,300,000
Total South Australia	2,100,000	-	800,000	-	1,300,000
Victoria					
Monash University	28,467	-	28,467	-	-
Total Victoria	28,467	-	28,467	-	-
Total Promote Good Practice Outcomes	2,508,716	-	848,384	-	1,660,332

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Opening Balance 2008 \$	Approved 2008 \$	Payments 2008 \$	Unutilised Approvals 2008 \$	Balance Payable 2008 \$
NOTE 17: PROJECT COMMITMENTS					
d. 2006-2007 Strategies					
Individual Beneficiary Details					
PUBLIC FUND					
Australian Capital Territory					
AER Business Plan 2006-2007 Strategic Funding	339,240	-	45,674	-	293,566
Total Australian Capital Territory	339,240	-	45,674	-	293,566
Total Public Fund	339,240	-	45,674	-	293,566
TOTAL 2006-2007 STRATEGIES	6,439,705	9,927	2,783,497	184,851	3,481,284

	A Change in Community Attitudes	Increase the Sector's Capacity to Reduce Alcohol Related Harms	Promote Good Practice Outcomes	Public Fund	Total 2008
e. 2006-2007 Strategies					
Commitments					
Payable					
— not later than 1 year	536,457	990,929	1,610,332	293,566	3,431,284
— later than 1 year but not later than 2 years	-	-	50,000	-	50,000
— later than 2 years but not later than 5 years	-	-	-	-	-
Total 2006-2007 Strategies Liability	536,457	990,929	1,660,332	293,566	3,481,284

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Opening Balance 2008 \$	Approved 2008 \$	Payments 2008 \$	Unutilised Approvals 2008 \$	Balance Payable 2008 \$
NOTE 17: PROJECT COMMITMENTS					
f. 2008-2010 Strategies					
Individual Beneficiary Details					
PARTNERSHIPS AND ALLIANCES					
Australian Capital Territory					
AER Business Plan 2008-2010 Strategic Funding	-	450,000	272,048	-	177,952
Total Australian Capital Territory	-	450,000	272,048	-	177,952
Total Partnerships and Alliances	-	450,000	272,048	-	177,952
PROJECTS					
Australian Capital Territory					
ADCA	-	5,780	5,293	-	487
ADFACT	-	12,110	11,500	-	610
AER Business Plan 2008-2010 Strategic Funding	-	25,940	25,940	-	-
Directions ACT	-	12,000	-	-	12,000
Total Australian Capital Territory	-	55,830	42,733	-	13,097
New South Wales					
Australasian Therapeutic Communities Association	-	13,422	918	-	12,504
Building Trades Group Drug & Alcohol Committee	-	20,000	18,000	-	2,000
DANA	-	5,450	-	-	5,450
Durri Aboriginal Corporation Medical Service	-	4,260	3,629	631	-
Exodus Foundation	-	25,550	7,504	6,046	12,000
Family Drug Support	-	20,000	-	-	20,000
Kavanagh Margaret Bernadette	-	9,550	8,550	-	1,000
Kedesh Rehabilitation Services Ltd	-	10,000	9,000	-	1,000

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Opening Balance 2008 \$	Approved 2008 \$	Payments 2008 \$	Unutilised Approvals 2008 \$	Balance Payable 2008 \$
NOTE 17: PROJECT COMMITMENTS					
f. 2008-2010 Strategies					
Individual Beneficiary Details					
PROJECTS					
Manly Drug Education and Counselling Centre	-	9,000	-	-	9,000
NSW Police Force	-	10,000	-	-	10,000
Oolong Aboriginal Corporation	-	6,846	-	-	6,846
Salvation Army (NSW) Property Trust	-	10,000	-	-	10,000
SMART Recovery Australia Ltd	-	4,520	1,579	2,941	-
Society of St Vincent de Paul, NSW	-	2,950	1,950	-	1,000
South Coast Medical Service Aboriginal Corporation	-	20,000	18,000	-	2,000
St Vincent's Hospital Sydney	-	4,275	4,135	140	-
Sydney West Area Health Service	-	13,440	3,780	-	9,660
Teen Challenge NSW Inc	-	6,194	5,500	-	694
University of Sydney	-	5,850	-	-	5,850
Waverley Action for Youth Services	-	3,200	-	-	3,200
Womens Alcohol & Drug Advisory Centre Inc	-	2,550	2,000	-	550
Total New South Wales	-	207,057	84,545	9,758	112,754
Northern Territory					
Drug & Alcohol Services Association Alice Springs	-	3,468	-	-	3,468
Larrakia Nation Aboriginal Corporation	-	11,672	-	-	11,672
Menzies School of Health Research	-	4,426	-	-	4,426
Tangentyere Council Inc	-	20,000	-	-	20,000
Turner-Walker Jennifer	-	19,750	18,000	-	1,750
Total Northern Territory	-	59,316	18,000	-	41,316

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Opening Balance 2008 \$	Approved 2008 \$	Payments 2008 \$	Unutilised Approvals 2008 \$	Balance Payable 2008 \$
NOTE 17: PROJECT COMMITMENTS					
f. 2008-2010 Strategies					
Individual Beneficiary Details					
PROJECTS					
Queensland					
Alcohol & Drug Service QLD Health	-	3,330	-	-	3,330
Bridges Aligned Services Inc	-	10,446	9,000	-	1,446
Federation of Psychotherapists and Counsellors of QLD Inc	-	20,000	-	-	20,000
Fresh Hope Association Inc	-	4,080	4,080	-	-
Gindaja Substance Misuse Aboriginal Corporation	-	19,700	18,000	-	1,700
Gold Coast Drug Council	-	6,675	4,181	-	2,494
Mothers Crying Out for Help	-	13,073	13,073	-	-
Pine Rivers Neighbourhood Association Inc	-	6,800	-	-	6,800
QLD Police Citizens Youth Welfare Association	-	5,000	-	-	5,000
QLD Police Service-Southern Region	-	5,000	-	-	5,000
Roman Catholic Trust Corporation	-	6,293	2,627	3,457	209
Wontulp-Bi-Buya College	-	19,965	16,150	1,815	2,000
Total Queensland	-	120,362	67,111	5,272	47,979
South Australia					
Alzheimer's Australia SA	-	3,800	-	-	3,800
Australian Red Cross	-	15,000	-	-	15,000
Bookyana Inc	-	15,000	14,000	-	1,000
Department of Education & Children's Services SA	-	7,400	6,900	-	500
Flinders University of SA	-	60,000	-	-	60,000
Port Lincoln Aboriginal Health Service	-	5,400	4,817	-	583

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Opening Balance 2008 \$	Approved 2008 \$	Payments 2008 \$	Unutilised Approvals 2008 \$	Balance Payable 2008 \$
NOTE 17: PROJECT COMMITMENTS					
f. 2008-2010 Strategies					
Individual Beneficiary Details					
PROJECTS					
SANDAS	-	4,732	-	420	4,312
Vietnamese Community in Australia	-	6,392	5,184	369	839
Total South Australia	-	117,724	30,901	789	86,034
Tasmania					
Launceston City Mission	-	6,000	5,395	605	-
Total Tasmania	-	6,000	5,395	605	-
Victoria					
Anglicare Victoria	-	2,990	2,954	36	-
Arbias Ltd	-	20,000	18,000	-	2,000
Australian Catholic University	-	7,130	6,630	-	500
Baysa Ltd	-	3,946	3,500	6	440
Bayside Health Service	-	14,400	-	-	14,400
Cobaw Community Health Service	-	14,595	13,000	-	1,595
Elkins Kathryn	-	8,000	7,000	150	850
Gippsland Lakes Community Health Inc	-	2,000	1,500	-	500
Goulburn Valley Area Mental Health Service	-	15,000	-	-	15,000
Inner South Community Health Service Inc	-	2,400	2,000	-	400
Mackillop Family Services	-	2,700	-	-	2,700
Northeast Health Wangaratta	-	10,000	9,000	-	1,000
Odyssey House Victoria	-	5,000	-	-	5,000

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Opening Balance 2008 \$	Approved 2008 \$	Payments 2008 \$	Unutilised Approvals 2008 \$	Balance Payable 2008 \$
NOTE 17: PROJECT COMMITMENTS					
f. 2008-2010 Strategies					
Individual Beneficiary Details					
PROJECTS					
Surf Coast Shire	-	1,234	-	-	1,234
The Salvation Army (VIC) Property Trust	-	3,975	-	-	3,975
Turning Point Alcohol and Drug Centre	-	32,799	19,000	8,000	5,799
Uniting Care-Harrison Community Services	-	3,940	-	-	3,940
Uniting Care-Moreland Hall	-	4,794	4,000	-	794
University of Melbourne	-	9,854	9,854	-	-
VAADA	-	20,000	-	-	20,000
Western Region Alcohol and Drug Centre	-	30,936	25,451	1,785	3,700
Youth Substance Abuse Service	-	18,620	12,682	-	5,938
Total Victoria	-	234,313	134,571	9,977	89,765
Western Australia					
Drug Arm WA Inc	-	1,900	1,900	-	-
Injury Control Council of WA	-	3,400	-	-	3,400
Palmerston Association Inc	-	5,000	5,000	-	-
Pilbara Community Drug Service Team	-	7,721	-	-	7,721
Telethon Institute for Child Health Research	-	3,275	-	-	3,275
WANADA	-	3,258	-	-	3,258
WA Council on Addictions	-	11,380	5,044	956	5,380
Total Western Australia	-	35,934	11,944	956	23,034
Total Projects	-	836,536	395,200	27,357	413,979

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Opening Balance 2008 \$	Approved 2008 \$	Payments 2008 \$	Unutilised Approvals 2008 \$	Balance Payable 2008 \$
NOTE 17: PROJECT COMMITMENTS					
f. 2008-2010 Strategies					
Individual Beneficiary Details					
IP RESEARCH					
Australian Capital Territory					
AER Business Plan 2008-2010 Strategic Funding	-	150,000	950	-	149,050
Total Australian Capital Territory	-	150,000	950	-	149,050
Total IP Research	-	150,000	950	-	149,050
PUBLIC FUND					
Australian Capital Territory					
AER Business Plan 2008-2010 Strategic Funding	-	900,000	110,854	-	789,146
Total Australian Capital Territory	-	900,000	110,854	-	789,146
Total Public Fund	-	900,000	110,854	-	789,146
NATIONAL CONFERENCE AND EVENTS					
Australian Capital Territory					
ADCA	-	31,500	15,500	-	16,000
Total Australian Capital Territory	-	31,500	15,500	-	16,000
New South Wales					
APSAD	-	31,500	-	-	31,500
DANA	-	31,500	15,500	-	16,000
Total New South Wales	-	63,000	15,500	-	47,500

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Opening Balance 2008 \$	Approved 2008 \$	Payments 2008 \$	Unutilised Approvals 2008 \$	Balance Payable 2008 \$
NOTE 17: PROJECT COMMITMENTS					
f. 2008-2010 Strategies					
Individual Beneficiary Details					
NATIONAL CONFERENCE AND EVENTS					
Queensland					
ADF QLD	-	31,500	-	-	31,500
Total Queensland	-	31,500	-	-	31,500
Victoria					
ADF	-	40,000	38,000	-	2,000
Total Victoria	-	40,000	38,000	-	2,000
Total National Conferences & Events	-	166,000	69,000	-	97,000
TRAVEL					
Australian Capital Territory					
AER Business Plan 2008-2010 Strategic Funding	-	65,000	32,361	-	32,639
Total Australian Capital Territory	-	65,000	32,361	-	32,639
Total Travel	-	65,000	32,361	-	32,639
TOTAL 2008-2010 STRATEGIES	-	2,567,537	880,412	27,358	1,659,767

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Partnerships and Alliances	Projects	IP Research	Public Fund	National Conferences and Events	Travel	Total 2008
NOTE 17: PROJECT COMMITMENTS							
g. 2008-2010 Strategies Commitments							
Payable							
— not later than 1 year	177,952	413,980	149,050	789,146	97,000	32,639	1,659,767
— later than 1 year but not later than 2 years	-	-	-	-	-	-	-
— later than 2 years but not later than 5 years	-	-	-	-	-	-	-
Total 2008-2010 Strategies Liability	177,952	413,980	149,050	789,146	97,000	32,639	1,659,767

NOTE 18: CONTINGENT LIABILITIES

As at 30 June 2008 AER had no contingent liabilities or contingent assets that may become payable or receivable.

NOTE 19: EVENTS SUBSEQUENT TO REPORTING DATE

Since the end of the financial year AER has approved the awarding of further priority area funding in the amount of \$250,000 consistent with the 2008-2010 business plan.

NOTE 20: SEGMENT REPORTING

AER operates predominantly in one business and geographical segment being the awarding of community grants throughout Australia.

Alcohol Education and Rehabilitation Foundation Ltd • ABN 91 096 854 385

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
NOTE 21: CASH FLOW INFORMATION			
a. Reconciliation of Cash			
Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:			
Cash on hand		2,572,313	893,975
Term deposits		20,376,141	32,680,812
Total		22,948,454	33,574,787
b. Reconciliation of net cash flows (used in) operating activities with Operating Deficit for the year			
Operating Deficit for the year		(12,086,873)	(7,781,019)
Investment Income		2,843,160	(7,399,872)
Deficit from trading activities		(9,243,713)	(15,180,891)
Non-cash flows in surplus from ordinary activities			
Asset Sales – Net Loss		(16,772)	1,474
Depreciation		44,979	64,241
Changes in assets and liabilities			
(Increase) in receivables		(41,788)	(637)
(Increase)/Decrease in accrued revenue		(11,686)	77,172
(Increase)/Decrease in other assets		(5,088)	9,738
(Decrease) in payables		(11,574)	(75,480)
Increase in employee provisions		49,771	40,728
Decrease in GST receivable		85,724	203,163
(Decrease)/Increase in Payroll liabilities		(3,164)	5,188
(Decrease)/Increase in bank credit card		(4,454)	4,405
Net Cash flows (used in) operating activities		(9,157,765)	(14,850,899)

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
NOTE 21: CASH FLOW INFORMATION			
c. Trust Fund Payments			
2001-2005 Strategy Payments made	17	4,231,649	8,181,421
2006-2007 Strategy Payments made	17	2,783,497	5,578,888
2008-2010 Strategy Payments made	17	880,412	-
Total Trust Fund Payments		7,895,558	13,760,309

This cashflow represents the aggregate cashflows of AER required to maintain its operating capacity.

There were no material cashflows which represent an increase in operating capacity.

NOTE 22: CREDIT STAND-BY ARRANGEMENT AND LOAN FACILITIES

AER has a mastercard facility amounting to \$20,000. This may be terminated at any time at the option of the bank. At 30 June 2008 \$1,022 of this facility was used. Interest rates are variable.

AER has an unlimited American Express corporate card facility. This may be terminated at any time at the option of American Express. At 30 June 2008 \$35,962 of this facility was used.

AER has a bank guarantee as security deposit in favour of the property lessors for an amount of \$20,000.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

NOTE 23: FINANCIAL INSTRUMENTS
A: – Terms, Conditions and Accounting Policies

Financial Instrument	Notes	Accounting Policies and Methods (including recognition criteria and measurement basis)	Nature of Underlying Instrument (including significant terms & conditions affecting the amount, timing and certainty of cash flows)
Financial Assets		Financial assets are recognised when control over future economic benefits is established and the amount of the benefit can be reliably measured.	
Cash	5	Deposits are recognised at their nominal amounts. Interest is credited to revenue as it accrues.	AER invests funds with commercial banks at call. Interest is earned on the daily balances at rates based on the banks at call rates. The interest rate applicable to each of the respective accounts has been averaged. The averaged interest rate is 6.25 %. Interest is paid at months end.
Financial investments at fair value	9	Financial investments at fair value are initially recognised at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these assets are measured at fair value determined on current bid prices for all quoted investments.	AER invests funds in a managed portfolio with a commercial bank. There are no fixed returns or maturity dates attached to these investments.
Receivables	6	These receivables are recognised at the nominal amounts due.	
Term deposits	5	Term deposits are recognised at cost. Interest is accrued as it is earned.	Term deposits are with AER's bank, and earn an effective rate of interest of 7.90 % payable quarterly.
Financial Liabilities		Financial liabilities are recognised when a present obligation to another party is entered into and the amount of the liability can be reliably measured.	
Hire purchase liabilities	16	Liabilities are recognised at the present value of the minimum payments at the beginning of the hire purchase agreement. The discount rates used are estimates of the interest rates implicit in the hire purchase agreements.	At reporting date, AER had two hire purchases with a term of 3 years each. The interest rate implicit in the hire purchase agreements are 8.10 % and 9.20 %. These hire purchase liabilities are secured by the hire purchase assets.
Creditors	11	Creditors and accruals are recognised at their nominal amounts, being the amounts at which liabilities will be settled. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).	Settlement is usually made net 30 days.
Unrecognised Financial Liabilities			
Other guarantees	22	The amount guaranteed by AER has been disclosed in the Schedule of credit standby arrangements and loan facilities.	AER has a bank guarantee as security deposit in favour of the property lessors for an amount of \$20,000.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

NOTE 23: FINANCIAL INSTRUMENTS**B: - Net Fair Values of Financial Assets and Liabilities**

	Note	2008 Total Carrying Amount	2008 Aggregate Net Fair Value	2007 Total Carrying Amount	2007 Aggregate Net Fair Value
Financial Assets					
Cash at Bank	5	2,572,224	2,572,224	893,772	893,772
Cash on Hand	5	89	89	203	203
Receivables	6	46,356	46,356	4,569	4,569
Term Deposits	5	20,376,141	20,376,141	32,680,812	32,680,812
Financial investments at fair value	9	23,538,499	23,538,499	24,769,908	24,769,908
Total Financial Assets		46,533,309	46,533,309	58,349,264	58,349,264
Financial Liabilities					
Bank credit cards	12	36,984	36,984	41,438	41,438
Hire Purchase Liabilities	16	96,731	96,731	69,753	69,753
Creditors	11	135,892	135,892	150,630	150,630
Total Financial Liabilities		269,607	269,607	261,821	261,821
Financial Liabilities (Unrecognised)					
Other Guarantees	22	20,000	20,000	14,115	14,115
Indemnities					
Total Financial Liabilities (Unrecognised)		20,000	20,000	14,115	14,115

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

NOTE 23: FINANCIAL INSTRUMENTS

B: - Net Fair Values of Financial Assets and Liabilities

Financial Assets

The net fair values of cash, deposits on call and non-bearing monetary financial assets approximate their carrying amounts.

The net fair value of the term deposit is based on discounted cash flows using current interest rates for assets with similar risk profiles.

Other than for listed financial assets, none of the classes of financial assets are readily traded on organised markets in standardised form.

Financial Liabilities

The net fair values of all loans, unsecured notes, hire purchase, deposits and guarantees are based on discounted cash flows using current interest rates for liabilities with similar risk profiles.

The net fair value for creditors, grant and priority area liabilities, all of which are short term in nature, are approximated by their carrying amounts.

C. Risk Exposure and Responses

Risk Management

AER takes a proactive approach to risk management. The Board is responsible for ensuring that risks, and also opportunities, are identified on a timely basis and that AER's objectives are aligned with the risks and opportunities identified by the Board.

The Board has a number of mechanisms in place to ensure that management's objectives and activities are aligned with the risks identified by the Board.

These include the following:

- Board approval of a strategic plan, which encompasses AER's vision, mission and strategy statements, designed to meet stakeholders' needs and manage business risk.
- Implementation of Board approved operating plans and budgets and Board monitoring of progress against these budgets, including the establishment and monitoring of KPIs of both a financial and non-financial nature.
- The Audit Committee assists in discharging the Board's responsibility to manage the organisation's financial risks. The Committee advises the Board on such matters as AER's liquidity, currency, interest rate and credit policies and exposures and monitors management's actions to ensure they are in line with AER policy.

A finance committee consisting of senior executives of AER meet on a regular basis to analyse currency and interest rate exposure and to evaluate strategies in the context of the most recent economic conditions and forecasts.

Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provisions for doubtful debts, as disclosed in the Income Statement and notes to the financial statements.

AER does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by AER.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

NOTE 23: FINANCIAL INSTRUMENTS

C. Risk Exposure and Responses

Price Risk

AER's Price risk arises through its investment portfolio. The majority of investments are held in Australian equities and is of a high quality and are publicly traded on the Australian Stock Exchange.

AER exposure to commodity and equities securities price risk is significant, amounting to \$23,538,499 in 2008.

At 30 June 2008 the breakdown of the investment portfolio excluding cash is as follows:

	\$	%
Australian equities	19,316,777	82
Fixed interest	2,077,368	9
International equities	251,028	1
Property	1,893,326	8
Total	23,538,499	100

The majority of the portfolio is Australian equities with revenue dependent on dividends and share value movements. As at 30 June 2008 if dividends or values move, as illustrated in the table below, with all variables held constant, profit and equity would have been affected as follows:

	Equity (Higher/Lower)		Profit (Higher/Lower)	
	2008	2007	2008	2007
	\$	\$	\$	\$
+1% movement in Dividends	24,469	77,291	24,469	77,291
-2% movement in Dividends	(73,802)	(154,582)	(73,802)	(154,582)
+1% movement in Share Prices	227,014	247,699	227,014	247,699
-2% movement in Share Prices	(488,892)	(495,398)	(488,892)	(495,398)

Interest Rate Risk

AER's exposure to interest rate risk is minimal. The majority of the assets in this risk category are AER's term deposits which are primarily fixed interest and these are shown in the Interest Rate and Liquidity Risk table.

Liquidity Risk

AER's objective is to maintain a balance within its financial assets in order to ensure a continuity of funding over the future years. AER has implemented a prudent approach to its funds management when it established the perpetual trust in September 2007. The maturity breakdown of the financial assets and liabilities are shown in the Interest Rate and Liquidity Risk table.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

NOTE 23: FINANCIAL INSTRUMENTS**C: – Risk Exposure and Responses
Interest Rate and Liquidity Risk**

Financial Instrument	Notes	Floating Interest Rate		Fixed Interest Rate Maturing In						Non-Interest Bearing		Total		Weighted Average Effective Interest Rate	
		2008 \$	2007 \$	1 Year or Less		1 to 5 Years		> 5 Years		2008 \$	2007 \$	2008 \$	2007 \$	2008 %	2007 %
				2008 \$	2007 \$	2008 \$	2007 \$	2008 \$	2007 \$						
Financial Assets															
Cash at bank	5	2,572,224	893,772	-	-	-	-	-	-	-	-	2,572,224	893,772	6.25	5.75
Cash on hand	5	-	-	-	-	-	-	-	89	203	-	89	203	n/a	n/a
Receivables	6	-	-	-	-	-	-	-	46,356	4,569	-	46,356	4,569	n/a	n/a
Term deposit	5	-	-	20,376,141	32,680,812	-	-	-	-	-	-	20,376,141	32,680,812	7.90	12.80
Financial investments at fair value	9	23,538,499	24,769,908	-	-	-	-	-	-	-	-	23,538,499	24,769,908	-13.47	12.80
Total		26,110,723	25,663,680	20,376,141	32,680,812	-	-	-	46,445	4,772	-	46,533,309	58,349,264		
Total Assets												47,248,399	59,284,995		
Financial Liabilities															
Financial Instrument	Notes	Floating Interest Rate		Fixed Interest Rate Maturing In						Non-Interest Bearing		Total		Weighted Average Effective Interest Rate	
		2008 \$	2007 \$	1 Year or Less		1 to 5 Years		> 5 Years		2008 \$	2007 \$	2008 \$	2007 \$	2008 %	2007 %
				2008 \$	2007 \$	2008 \$	2007 \$	2008 \$	2007 \$						
Bank credit cards	12	36,984	41,438	-	-	-	-	-	-	-	-	36,984	41,438	22.00	22.00
Financial lease liabilities	16	-	-	27,674	27,803	69,057	41,950	-	-	-	-	96,731	69,753	8.65	7.08
Creditors	11	-	-	-	-	-	-	-	135,892	150,630	-	135,892	150,630	n/a	n/a
Total		36,984	41,438	27,674	27,803	69,057	41,950	-	135,892	150,630	-	269,607	261,821		
Total Liabilities												453,883	403,605		
Other guarantees	22	-	-	-	-	-	-	-	20,000	14,115	-	20,000	14,115	n/a	n/a
Total Financial Liabilities (Unrecognised)									20,000	14,115		20,000	14,115		

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

NOTE 23: FINANCIAL INSTRUMENTS

C. Risk Exposure and Responses

Going Concern

AER monitors rolling forecasts of liquidity reserves, this been a major factor in its Business Plan considerations when establishing the basis for future operations. Forecast liquidity reserves as at 30 June 2008 are as follows.

	Actual 2008 \$	Forecast 2009-2010 \$
Opening balance retained surpluses	13,870,949	9,625,933
Operating Inflows	3,204,601	1,805,892
Operating Outflows	(1,627,603)	(3,408,000)
Cash Outflows for Investment	(5,824,856)	(4,031,964)
Proceeds from sale of Investments	17,372	-
Financing Costs	(14,530)	(72,000)
Payment of Debts	-	-
Closing Balance for the year	9,625,933	3,919,861

NOTE 24: RELATED PARTY DISCLOSURES

The value of Trust Fund Approvals to organisations of which AER directors are directors and/or employees of are detailed below:

	Note	2008 \$	2007 \$
Related parties			
Aboriginal Drug and Alcohol Council (SA) Inc		-	17,588
Odyssey House, Victoria		5,000	-
The Ted Noffs Foundation		-	71,500
Total Related Party Disclosures	1(p)	5,000	89,088

These transactions were undertaken on terms equivalent to those that prevail in arm's-length transactions.

END OF AUDITED FINANCIAL STATEMENTS

Alcohol Education and Rehabilitation Foundation Ltd • ABN 91 096 854 385

CHIEF EXECUTIVE OFFICERS' DECLARATION

CHIEF EXECUTIVE OFFICERS' DECLARATION

The Chief Executive Officer of AER declares that:

- the financial records of AER for the financial year ended 30 June 2008 have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
- the financial statements, and the notes comply with the Australian accounting standards;
- the financial statements, and notes give a true and fair view; and
- other matters prescribed by the regulations in relation to the financial statements, and the notes for the financial year are satisfied.

This declaration is made by:

Daryl P. Smeaton
Chief Executive Officer



Dated this 2nd day of October 2008

Alcohol Education and Rehabilitation Foundation Ltd • ABN 91 096 854 385

CHIEF FINANCE OFFICERS' DECLARATION

CHIEF FINANCE OFFICERS' DECLARATION

The Chief Finance Officer of AER declares that:

- the financial records of AER for the financial year ended 30 June 2008 have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
- the financial statements, and the notes comply with the Australian accounting standards;
- the financial statements, and notes give a true and fair view; and
- other matters prescribed by the regulations in relation to the financial statements, and the notes for the financial year are satisfied.

This declaration is made by:

Jim O'Shea

Chief Finance Officer



Dated this 2nd day of October 2008

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DIRECTORS' DECLARATION

DIRECTORS' DECLARATION

The directors of AER declare that:

1. The financial statements and notes, as set out on pages 1 to 81 are in accordance with the *Corporations Act 2001*:
 - a. comply with Australian Accounting Standards and the Corporations Regulations 2001; and
 - b. give a true and fair view of the financial position as at 30 June 2008 and of the performance for the year ended on that date of AER.
2. In the directors' opinion there are reasonable grounds to believe that AER will be able to pay its debts as and when they become due and payable.

The directors make this declaration having received declarations from the chief executive officer and the chief financial officer that:

- the financial records of AER for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
- the financial statements, and the notes comply with the Australian accounting standards;
- the financial statements, and notes give a true and fair view; and
- other matters prescribed by the regulations in relation to the financial statements, and the notes for the financial year are satisfied.

This declaration is made in accordance with a resolution of the Board of Directors.

Director



Dated this 2nd day of October 2008



AER

Foundation Ltd

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