

# ACODE 2013 ANNUAL GENERAL MEETING Minutes

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9.00 am - 10.00 am Friday 8<sup>th</sup> November 2013

Terrace Room Building 14

The University of Queensland

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## **\*PART A: PRELIMINARY BUSINESS**

### **1.0 Attendance and Apologies**

ACODE President	Helen Carter
ACODE Secretariat	Karen Halley
Charles Sturt University	Philip Uys
Flinders University	David Green
La Trobe University	Ric Canale
Macquarie University	Maree Gosper
Queensland University of Technology	Regina Obexer
University of Auckland	Cathy Gunn
University of Canberra	Alan Arnold
University of Melbourne	Deborah Jones
University of Queensland	Trish Andrews
University of Southern Queensland	Michael Sankey
University of Sydney	Colin Lowe
University of Tasmania	Gerry Kregor
University of the Sunshine Coast	Ian Wright
University of Waikato	Nigel Robertson
University of Western Sydney	Carol Russell
Victoria University	Lisa Germany
Victoria University of Wellington	Stephen Marshall

#### **Apologies**

Auckland University of Technology	Mark Northover
Australian Catholic University	Veronica Hendriks
Australian Catholic University	Kevin Ashford-Rowe
Macquarie University	Andrew Burrell
Queensland University of Technology	Elizabeth Greener
Queensland University of Technology	Roger Cook
Southern Cross University	Gail Wilson
University of Wollongong	Christine Brown

### **2.0 Minutes of previous Annual General Meeting – held November 9, 2012 at Murdoch University**

Moved: David Green

Seconded: Maree Gosper

### **3.0 Identification of unstarred items for discussion**

No items starred

#### **4.0 Adoption of items not starred for discussion**

All items on the Agenda not starred for discussion, be noted and where recommendations have been made, that these be adopted as resolutions of ACODE.

#### **5.0 Matters arising from previous Annual General Meeting**

No matters raised

#### ***\*PART B: ITEMS FOR DISCUSSION***

#### **6.0 Financial Reports**

2012 Auditor's Report (Attachment A)

2013 Profit & Loss Statement (Attachment B)

#### **6.1 2013 Treasurers Report – Ric Canale (Attachment C)**

ACODE accounts were in a better working order since being converted to MYOB.

Income for 2013 seems large but this is due to the members' request that we invoice earlier in the year so that the membership fee for 2014 could be paid from the 2013 budgets at each institution. The membership invoices were sent out in August with a slight increase of \$250.00 as per the 2013 AGM minutes.

A small increase will be added each year in line with the ordinary expenses of the Secretariat.

The LTLI had broken even due to the \$12K sponsorship that was secured and that the finances of the LTLI will be looked at in March 2014 at the Exec meeting to see where we can trim some costs. The \$30k float that sits in the LTLI will be brought back to the General account and invested on term deposit at Bendigo bank along with the \$51K that is already due to mature in March 2014

#### **7.0 Executive Officer's Report – Karen Halley (Attachment D)**

#### **8.0 Declaration of election results – Helen Carter**

Helen Carter was re-elected unopposed as President and Stephen Marshall as Vice President.

Congratulations to Michael Sankey who has been re-elected and Cathy Gunn is also welcomed to the Executive.

The President also thanked Kevin Ashford-Rowe for his participation on the Executive.

Meeting Closed 9.25am

**Helen Carter**

**President, ACODE**

### **EXPLANATION**

Note that the Agenda for this Annual General Meeting follows that proposed by the Executive in June 2003. Un starred items on the Agenda will not be discussed but any recommendations they contain will be covered by a single motion covering all un starred items.

Any un starred item may be identified for discussion by request to the President at any time up to item 4 on this agenda.

**Please Note: Each member institution has *one* vote only. Members with affiliate status do not have voting rights, however are able to participate in discussion at the discretion of the President.**

## Attachment A: Auditors Report

14<sup>th</sup> March 2013

Australia Council on Open Distance and E-Learn

Building 1 - C26

University Of Canberra ACT 2601

Dear Board Members,

**Annual Audit for year ended 31<sup>st</sup> December 2012**

We advise that we have recently completed an audit of the organizations records and financial statements for the year ended 31<sup>st</sup> December 2012.

The purpose of our audit was to form an opinion as to whether the financial statements of the Australian Council of Distance and E Learning were free of material misstatement and presented in accordance with accounting standards and reporting requirements.

Our audit procedures were designed to achieve these objectives and focused on areas of materiality and high risk.

Whilst satisfied that the audit could proceed without any qualification of the opinion there are issues that have been identified for management attention.

**Issues for Management attention**

Observation ; GST reporting errors and required adjustments

It was noted that the amounts reported in terms of expenditure and GST paid during the year were understated, resulting in an amount of GST credits not claimed of \$1987. The treatment of transactions and the GST reports being used to prepare the Business Activity Statements were recorded appropriately however some adjustments to invoices affected the date sensitivity of the reports resulting in some amounts of GST not being collected in the GST summary reports.

**Implication**

The organization has not correctly reported or remitted the correct amount of GST during the period, an adjustment to the previously reported amounts is required and the resultant adjustment in the amount of GST credits to be refunded by the Australian Tax Office.

## Recommendation

That once Business Activity Statements have been lodged that the relevant period be locked to avoid affecting the period and the allocation of GST collected and paid.

## General Comments

The change in the internal record keeping system for the organization is vastly improved on the systems being used during 2011 and earlier years, the overall completeness of the information and accuracy of reporting was significantly enhanced during the 2012 year. The GST anomalies are a minor issue that is relatively easy to correct.

Significantly the organization is able to accurately report as an asset the amount of monies it was owed as at the 31<sup>st</sup> December, and consequently there is an amount of \$59,088 recorded as a Debtor in the accounts. This has the effect of more accurately stating the assets and liabilities of the organization at year end however as 2012 is the first year that this asset has been recorded (despite each year there would have been similar amounts owing this is first time recorded) it is misleading to think the organization generated a large surplus.

To adjust the results for this amount would give a more realistic comparison of net income for the year and would show a net loss of approximately \$13,718 , (net loss 2011 - \$10,814).

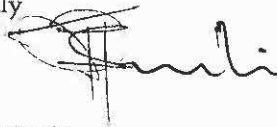
This is reflected in the cash balance for the organization as noted in Notes to the Accounts Note 4; where the cash has decreased from \$207,066 in 2011 to \$196,220. Whilst there are significant retained earnings, which are effectively represented by this cash balance the long term view would be that continued net deficits would gradually erode this reserve if this trend were continued into the medium term future.

We commend the records and information standard provided to us by the organizations representatives and raise the above issues in an attempt to use the knowledge we have gained during this audit to make comments and suggestions that can be useful to the organization.

Yours Faithfully

Joe Tonkin

Tonkin Accountants



Australasian Council on  
Open Education and E-Learning

Financial Statements

For the year ended 31st December 2012

# **Australasian Council on Open Education and E-Learning**

## **Annual Report for the Year Ended 31 December 2012**

<i>Contents</i>	<i>Page</i>
Income and Expenditure Statement .....	1
Balance Sheet .....	2
Notes to the Accounts .....	3
Fixed Asset and Depreciation Schedule .....	7
Statement by Members of the Committee .....	8
Independent Auditor's Report .....	9



**Australiasian Council on Open Education and E-Learning**  
**Income and Expenditure Statement**  
**For the Year ended 31 December 2012**

	2012	2011
	\$	\$
<b>Revenue</b>		
Learning Technologies Leadership Institute	-	89,950.00
ACODE Membership Fees	158,533.36	109,745.45
Interest		
Bendigo Bank - Cheque Account	2,068.51	3,152.26
Bendigo Bank - Institution Account	947.97	1,924.03
Reimbursements Received	12,913.37	1,936.55
	174,463.21	206,708.29
<b>Expenditure</b>		
Accountancy Fees	-	1,360.00
Advertising	228.00	2,286.13
Auditor's Remuneration		
- Audit & review of financial reports	2,500.00	4,705.00
Bank Charges	182.00	217.10
Conference Fees	13,972.12	44,315.14
Consultants LTLI	-	27,907.48
Depreciation	558.00	166.00
Insurance	2,009.09	2,177.27
Presentations & Gifts	-	4,098.93
Printing, Postage & Stationery	1,098.44	2,196.39
Research Costs	-	15,773.62
Service Fees - Executive Officer	82,000.00	82,000.00
Teleconferencing	-	2,512.77
Travelling Expenses	25,538.66	26,854.32
Web Site Maintenance	6,035.45	277.70
Workshop Expenses	326.36	674.53
	134,448.12	217,522.38
<b>Profit before Income Tax</b>	<b>40,015.09</b>	<b>(10,814.09)</b>

*The accompanying notes form part of these financial statements.  
These financial statements should be read in conjunction with the attached.*

**Australasian Council on Open Education and E-Learning**  
**Balance Sheet**  
**As at 31 December 2012**

	2012	2011
	\$	\$
<b>Equity</b>		
Retained Profits	248,887.44	208,872.35
<b>Total Equity</b>	248,887.44	208,872.35
 Represented by:		
<b>Current Assets</b>		
Bendigo Bank - Cheque Account	126,747.30	131,292.64
Bendigo Bank - Institute Account	69,473.02	75,773.68
Trade Debtors	59,088.60	-
Provision for GST	-	411.03
	255,308.92	207,477.35
<b>Non-Current Assets</b>		
Plant & Equipment	1,561.00	1,561.00
Less Accumulated Depreciation	724.00	166.00
	837.00	1,395.00
<b>Total Assets</b>	256,145.92	208,872.35
<b>Current Liabilities</b>		
Provision for GST	7,258.48	-
	7,258.48	-
<b>Total Liabilities</b>	7,258.48	-
<b>Net Assets</b>	248,887.44	208,872.35

*The accompanying notes form part of these financial statements.*

**Australasian Council on Open Education and E-Learning**  
**Notes to the Financial Statements**  
**For the Year ended 31 December 2012**

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**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act (NSW). The committee has determined that the association is not a reporting entity.

The financial statements have been prepared on an accruals basis and are based on historic costs and do not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of the financial statements.

**(a) Cash and Cash Equivalents**

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

**(b) Property, Plant and Equipment**

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all fixed assets are depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Leasehold Improvements	20 %
Leased Plant and Equipment	40 %
Office Equipment	40 %

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

**(c) Trade and Other Receivables**

Trade receivables are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

At the end of each reporting period, the carrying amount of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in income and expenditure statement.

**Australasian Council on Open Education and E-Learning**  
**Notes to the Financial Statements**  
**For the Year ended 31 December 2012**

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**(d) Revenue and Other Income**

Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the provision of membership subscriptions is recognised over the financial year.

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

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

**(e) Trade and Other Payables**

Trade and other payables represent the liabilities at the end of the reporting period for goods and services received by the association that remain unpaid.

Trade payables are recognised at their transaction price. Trade payables are obligations on the basis of normal credit terms.

**(f) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

**Australiasian Council on Open Education and E-Learning**  
**Notes to the Financial Statements**  
**For the Year ended 31 December 2012**

	2012	2011
	\$	\$
<b>2. Profit</b>		
<b>Expenses</b>		
Depreciation and Amortisation Expenses	558.00	166.00
Advertising	228.00	2,286.13
Bank Charges	182.00	217.10
Insurance	2,009.09	2,177.27
Printing, Postage & Stationery	1,098.44	2,196.39
Other Expenses	130,372.59	210,479.49
	<u>134,448.12</u>	<u>217,522.38</u>
<b>3. Profit for the Year</b>		
Profit before income tax expense from continuing operations includes the following specific expenses:		
<b>Charging as Expense</b>		
Movements in Provisions		
Depreciation		
- Depreciation of Property, Plant and Equipment	558.00	166.00
Net Expenses Resulting from Movement in Provisions	<u>558.00</u>	<u>166.00</u>
Remuneration of the Auditor:-		
- Audit & review of financial reports	2,500.00	4,705.00
	<u>2,500.00</u>	<u>4,705.00</u>
Research and Development Costs	-	15,773.62
<b>4. Cash and Cash Equivalents</b>		
Bendigo Bank - Cheque Account	126,747.30	131,292.64
Bendigo Bank - Institute Account	69,473.02	75,773.68
	<u>196,220.32</u>	<u>207,066.32</u>
<b>Reconciliation of Cash</b>		
Cash and Cash Equivalents	<u>196,220.32</u>	<u>207,066.32</u>
	<u>196,220.32</u>	<u>207,066.32</u>

*These notes should be read in conjunction with the attached Compilation Report.*

**Australiasian Council on Open Education and E-Learning**  
**Notes to the Financial Statements**  
**For the Year ended 31 December 2012**

	2012	2011
	\$	\$
<b>5. Trade and Other Receivables</b>		
<b>Current</b>		
Trade Debtors	59,088.60	-
Provision for GST	-	411.03
	<u>59,088.60</u>	<u>411.03</u>
<b>Total Trade and Other Receivables</b>	<u>59,088.60</u>	<u>411.03</u>
<b>6. Property, Plant and Equipment</b>		
<b>Plant and Equipment</b>		
Plant & Equipment	1,561.00	1,561.00
Less Accumulated Depreciation	<u>724.00</u>	<u>166.00</u>
	837.00	1,395.00
<b>Total Plant and Equipment</b>	<u>837.00</u>	<u>1,395.00</u>
<b>Total Property, Plant and Equipment</b>	<u>837.00</u>	<u>1,395.00</u>
<b>7. Trade and Other Payables</b>		
<b>Current</b>		
Provision for GST	<u>7,258.48</u>	-
	7,258.48	-
<b>Total Trade and Other Payables</b>	<u>7,258.48</u>	<u>-</u>

*These notes should be read in conjunction with the attached Compilation Report.*

**Australiasian Council on Open Education and E-Learning  
Fixed Asset and Depreciation Schedule  
For the Year Ended 31 December 2012**

Asset	Private Use	Cost Price	Cost Limit	Opening W.D.V 01/01/2012	Additions Disposals	Gain/Loss on Disposal	Capital Gains	---- Depreciation Rate	---- Depreciation \$	Accum Deprec 31/12/2012	Closing W.D.V 31/12/2012
<b>Plant &amp; Equipment</b>											
Laptop		1,561		1,395				40.0% DV	558	724	837
<b>Total</b>		<b>1,561</b>		<b>1,395</b>					<b>558</b>	<b>724</b>	<b>837</b>

## Australiasian Council on Open Education and E-Learning Statement by Members of the Committee

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The committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the committee as set out in the accompanying financial statements:

1. Presents a true and fair view of the financial position of Australiasian Council on Open Education and E-Learning as at 31 December 2012 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Australiasian Council on Open Education and E-Learning will be able to pay its debts as and when they fall due.

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

.....  
President: Helen Carter

.....  
Treasurer: Ric Canale

Dated



Attachment B: Profit and Loss October 2013

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ACODE

ICB  
 Trusting and Learning Group  
 100-1000-1000  
 100-1000-1000

**Profit & Loss [With Year to Date]**

January 2013 To October 2013

ABN: 64 939 648 740

Email: secretariat@acode.bc.ca

	Selected Period	% of Sales	Year to Date	% of YTD Sales
<b>Income</b>				
Memberships Income	\$120,926.00	49.9%	\$120,926.00	49.9%
Litigation Income	\$91,003.27	37.5%	\$91,003.27	37.5%
New Account	\$4,400.00	1.6%	\$4,400.00	1.8%
Bank Interest	\$1,340.26	0.6%	\$1,340.26	0.6%
Other Income	\$17,743.56	7.3%	\$17,743.56	7.3%
LTD Sponsorship	\$7,600.00	2.9%	\$7,600.00	2.9%
<b>Total Income</b>	<b>\$242,413.09</b>	<b>100.0%</b>	<b>\$242,413.09</b>	<b>100.0%</b>
<b>Gross Profit</b>	<b>\$242,413.09</b>	<b>100.0%</b>	<b>\$242,413.09</b>	<b>100.0%</b>
<b>Expenses</b>				
<b>General Expenses</b>				
Accounting/Broking Fees	\$2,600.00	1.1%	\$2,600.00	1.1%
Secretariat Expenses	\$72,000.00	29.7%	\$72,000.00	29.7%
Advertising & Marketing	\$6,972.69	2.9%	\$6,972.69	2.9%
Bank Fees	\$170.05	0.1%	\$170.05	0.1%
Photocopies	\$9,142.73	3.8%	\$9,142.73	3.8%
Parking/Tolls Expenses	\$254.55	0.1%	\$254.55	0.1%
Printing	\$2,685.95	1.1%	\$2,685.95	1.1%
Internet	\$1,100.00	0.5%	\$1,100.00	0.5%
Computer Expenses	\$527.95	0.2%	\$527.95	0.2%
Conference Fees	\$27,366.61	11.3%	\$27,366.61	11.3%
Stationery	\$840.22	0.3%	\$840.22	0.3%
Postage	\$134.76	0.1%	\$134.76	0.1%
<b>Total General Expenses</b>	<b>\$123,812.51</b>	<b>51.1%</b>	<b>\$123,812.51</b>	<b>51.1%</b>
<b>Payroll Expenses</b>				
Gifts in lieu of payment	\$919.71	0.4%	\$919.71	0.4%
Director's Fees	\$15,000.00	6.2%	\$15,000.00	6.2%
Travel & Accom. Expenses	\$36,548.05	15.1%	\$36,548.05	15.1%
Meeting expenses	\$454.55	0.2%	\$454.55	0.2%
Food	\$8,796.12	3.6%	\$8,796.12	3.6%
<b>Total Payroll Expenses</b>	<b>\$61,718.43</b>	<b>25.5%</b>	<b>\$61,718.43</b>	<b>25.5%</b>
<b>Insurance Expenses</b>				
Business Insurance	\$804.55	0.3%	\$804.55	0.3%
Public Liability Insurance	\$1,204.54	0.5%	\$1,204.54	0.5%
<b>Total Insurance Expenses</b>	<b>\$2,009.09</b>	<b>0.8%</b>	<b>\$2,009.09</b>	<b>0.8%</b>
<b>Total Expenses</b>	<b>\$187,543.63</b>	<b>77.4%</b>	<b>\$187,543.63</b>	<b>77.4%</b>
<b>Operating Profit</b>	<b>\$54,870.46</b>	<b>22.6%</b>	<b>\$54,870.46</b>	<b>22.6%</b>
<b>Total Other Income</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>\$0.00</b>	<b>0.0%</b>
<b>Total Other Expenses</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>\$0.00</b>	<b>0.0%</b>
<b>Net Profit/(Loss)</b>	<b>\$54,870.46</b>	<b>22.6%</b>	<b>\$54,870.46</b>	<b>22.6%</b>

This report includes Year-End Adjustments.

## Attachment C: Executive Officers Report

ACODE Executive Officer Report - November 2013 ACODE 63

Since the previous report in June 2013 the Secretariat has invoiced all members for 2014, unfortunately University of South Australia has decided to rationalise costs and will not be a member in 2014 . Payments are rolling in slowly and reminders will be sent by the end of November.

The meeting at ACODE 62 was extremely successful and very cost effective as many staff from the University of the South Pacific were able to use the workshop as Professional Development which was very encouraging.

The Executive have met twice since ACODE 62 online and will have also had a face to face meeting prior to this to discuss a few relatively important matters and to welcome new Executive members.

The Secretariat has also participated in two NATA meetings and the NATA launch on the 6<sup>th</sup> of November.

The LTLI was held 18-22 August on the Gold Coast and once again was a very successful event.

The Secretariat wishes to acknowledge Susan Brosnan whom without her fabulous organisation the event would not have been such a great success.

It was noted by the sponsors that the Attendees with more than one member from their home Institutions were the ones that will benefit the most from the LTLI so we need to encourage each Institution to send a team to the LTLI to get the most benefit from it.

The development of the new ACODE Website is progressing well as you will have seen, we are going live at the end of this month. The Secretariat would like to acknowledge Michael Sankey in the first instance for this work with Catalyst and Eammon Kelly for his development of the site.

ACODE 64 planning is also underway. Nigel advises that the dates will be 20-21 March 2014 at the University of Waikato, Hamilton New Zealand.

Karen Halley  
Executive Officer  
30<sup>th</sup> October 2013

## Attachment D: Treasurers Report

### **Treasurer's report:**

28<sup>th</sup> October 2013

#### Bank Account balances:

Term Deposit: \$ 51,027.81 Rolled over until the 24<sup>th</sup> April 2014 @ 3.45%

Working account \$134,722.33 Cr

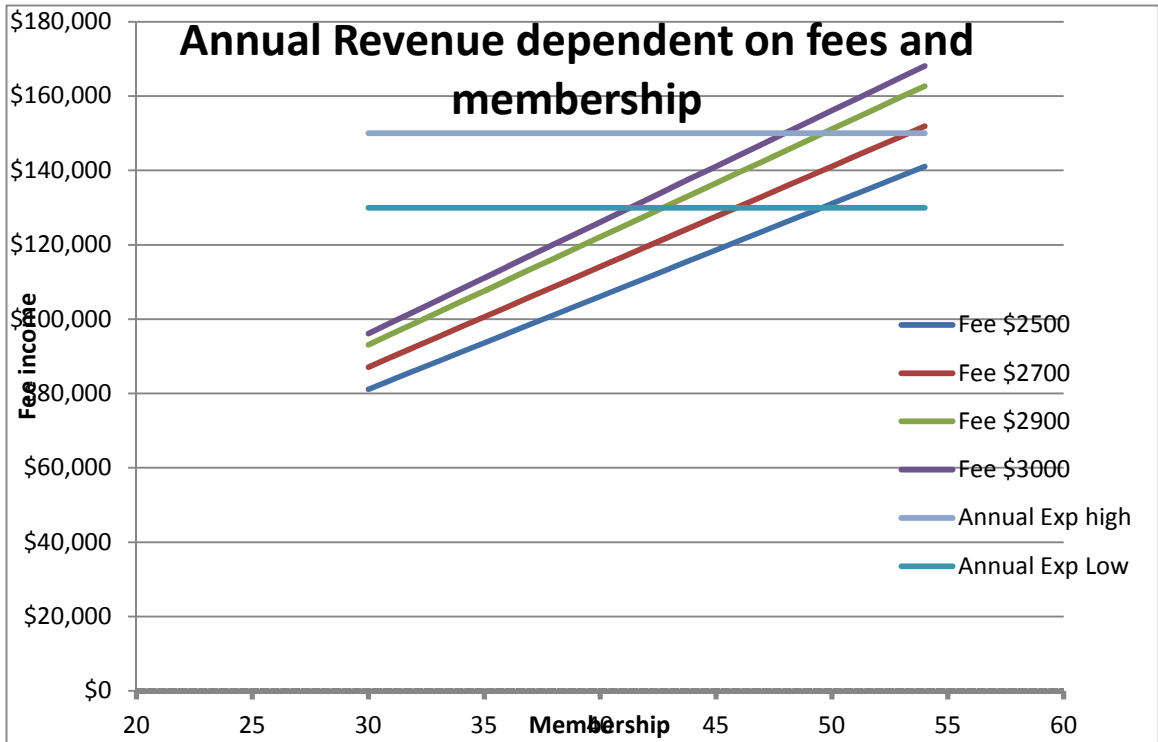
Institute account \$ 60,814.46 Cr (\$30k of this is a float to the institute from the main account)

As reported in the Executive officers report the term deposit has been rolled over until April 2014.

As noted in the Auditors Report, there has been a significant improvement in the record-keeping so that for the first time the balance sheet is able to record a debtor asset representing the amount of money it was owed at 31 December 2012. This Debtor asset is \$59,000 and makes it appear as though we've had an improvement over the previous year, but in fact this should be regarded as a more accurate balance sheet, not a better balance sheet. The profit and loss for 2013 seems inflated but this is due to the fact that the memberships have been invoiced in August so that most funding will be in the account at the COB 31<sup>st</sup> Dec 2013.

The fees were increased slightly in 2013 (now \$2,750) as stated in the AGM 2012 minutes to cover the increasing costs of the secretariat wages and the insurance and travel costs.

If fees stay at this rate we will have difficulties keeping recurrent costs matching revenues in future years. The result will be diminishing cash reserves to cover recurrent expenses, which is unsustainable. Regular slight increases in membership fees are to be expected.



The LTLI received \$12,000 in sponsorship funds this year and made a small profit. The costs of running the LTLI will also be closely reviewed to reduce the risk of making a loss, which is currently unacceptably high.

Ric Canale

Treasurer ACODE

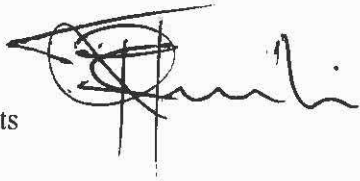
**Australiasian Council on Open Education and E-Learning  
Independent Auditor's Report  
to the Members of  
Australiasian Council on Open Education and E-Learning**

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Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Australiasian Council on Open Education and E-Learning to meet the requirements of the Associations Incorporation Act (NSW). As a result, the financial report may not be suitable for another purpose.

Joseph Tonkin  
Tonkin Accountants



Dated this 14<sup>th</sup> day of March 2013