



ABCN

Business Investing in Tomorrow

**Australian Business and Community Network
2012 Annual Report**

Contents

Chairman Review	3
Chief Executive Report	5
Governance Statement	7
ABCN Programs	10
Aspirations	10
Career Choice Day	11
Focus	12
Growing Opportunities and Learning Skills (GOALS)	13
InterACT	14
Partners in Learning (PiL)	15
Partnerships, Opportunities and Projects (POP)	15
Read, Inspire, Strive, Succeed (RISE)	16
Realising Your Potential (RYP)	17
Spark	18
Technology, Enterprise and Mathematics (TEAM)	19
Transitions	20
1:2:1	20
Program Delivery	21
Financial Information for Year Ended 30 June 2012	23
Expenditure	24
Surplus for the Financial Year	25
Financial Position	26
Board of Directors	27
Board of Directors	27
Board of Directors Meeting Attendance	29
ABCN Council Members	30
ABCN Contacts	31



Chairman Review

During 2012, we worked to implement the outcomes of our 2011 strategic planning exercise that were developed in conjunction with our partners, members, schools and other stakeholders.

The agreed strategy for the next five years is to build upon our successful model by deepening our engagement with students, broadening our impact to more schools and increasing the involvement of our member companies with students transitioning to high school and tertiary training. This includes:

- › working with students to provide support both during and beyond school to foster a virtuous circle of engagement and impact
- › developing new transition programs to increase student confidence and aspirations with tertiary education and employment
- › leveraging ABCN student alumni as role models and mentors in the school and local community to enable ongoing engagement with ABCN
- › a focus on growing our school, member company and corporate volunteer base while also maintaining existing members and mentors
- › creating a Melbourne taskforce to increase the number of Melbourne headquartered companies in the network.

It is testament to the commitment of our member companies that our Board and Council attract the most senior levels of engagement from the business community. ABCN Board and Council members contribute significant amounts of their own time in order to continue to develop and expand our student mentoring and education partnerships.

In 2012 there were two new appointments to the ABCN Board - John Weber, Managing Partner of Minter Ellison and David Clarke, CEO of Investec. We were also delighted to welcome three new member companies - Allen & Overy, Genworth and Norton Rose. As a result, the ABCN Council saw the appointment of Grant Fuzi, CEO of Allen & Overy, Ellie Comerford, CEO of Genworth and Wayne Spanner, CEO of Norton Rose.

I would like to take the opportunity to thank retiring ABCN Board members, Pierric Beckert, CEO of American Express and Robert Millner CEO of King & Wood Mallesons for their contributions to ABCN's

growth over the past four years. Lisa Verehencamp, Managing Director of American Express and Tony O'Malley, CEO of Mallesons, now represent these member companies on the ABCN Council.

It has been a rewarding and important year, working with our partners to create a shared vision for the future and address the goals and needs of all participants. Our schools, principals, students and mentors are a constant source of inspiration and I am grateful to work with such committed and generous individuals.

A handwritten signature in blue ink that reads "Paul O'Sullivan". The signature is fluid and cursive, with a long horizontal stroke at the end.

Paul O'Sullivan
Chairman



Chief Executive Report

In 2012, ABCN delivered 338 programs, involving 13,497 students from 220 high-needs public schools across Australia. Over 2,800 mentors and 2,400 students participated in sustained mentoring programs, with extremely positive results. Overall, we saw a significant increase in student numbers, which were up 27% compared to the previous year.

We continued to maintain excellent mentor outcomes including improvements in engagement scores. Feedback indicated that 100% of mentors valued the opportunity to participate and 80% of mentors reported an improvement in their coaching skills as a result of the program. Critical student outcomes across all programs remained positive with 85% of students more confident as a result of participation and 77% reporting an improvement in their communication skills.

This year we experienced greater demand for programs that engaged higher numbers of students. This is illustrated by an overall shift from the one-on-one format of the GOALS program to the group format of the *Aspirations* program. As more member companies sought one-day opportunities, we responded to this with the introduction of single day sessions on interview skills as a transition-to-work program and this proved to be well received. *Spark*, our primary school reading mentoring program, is still the most popular with over 1000 mentors participating. It continues to demonstrate a high impact on student literacy with 78% of teachers reporting an improvement in their student's reading skills and 86% more positive about reading.

An interesting trend is the rapid adoption of the new women's leadership program, *Focus*, which involves senior female leaders as mentors, but a time commitment of only three hours over three weeks. Developed specifically to support high-potential, young women in building their leadership skills and aspiring to senior roles in business and the community, *Focus* was piloted late this year with Minter Ellison and the Commonwealth Bank in Melbourne. The success of the program has resulted in 20 *Focus* programs being scheduled for 2013.

The year has proven very successful in terms of engaging with our stakeholders and working through our future strategy together. In total, over 4,400 corporate volunteers completed over 39,000 hours working with schools, students and teachers. Students in sustained mentoring programs increased by 6% to over 2400 and the total number of students involved in programs was 13,497.

The ABCN Team worked tirelessly and with great innovation to expand programs and school participation while also ensuring core programs continued to be delivered successfully with outcomes and engagement maintained. It was a fantastic year, which delivered both immediate and long-term goals for our member companies, our people, our schools and our students.

A handwritten signature in blue ink that reads "Carey Badcoe". The signature is written in a cursive, flowing style.

Carey Badcoe

Chief Executive Officer



Governance Statement

ABCN is a company limited by guarantee. It was established in 2005 by a group of senior business leaders whose vision was to inspire, challenge and engage businesses to have a greater positive impact in the community.

ABCN's members consist of corporate organisations within the Australian business community. These organisations share a common belief that a collaborative approach by business can greatly assist in the improvement of major issues through the education of disadvantaged young people.

Mission and Objectives

ABCN's primary objective is to share resources available to businesses - including volunteers, expertise and services - with high-needs schools and students, with the goal of improving opportunities for fulfilling employment, raising aspirations and setting and achieving life goals.

ABCN's key delivery mechanism is designing, developing, organising and delivering volunteer mentoring programs in partnership with schools. More details on ABCN's operations are set out in this report

Council

The organisation's council is comprised of the Chief Executives (or equivalent) of each member organisation. The role of the council members is to both facilitate and enable the achievement of ABCN's mission and objectives by leveraging their professional networks, profile, reputation, energy, experience and influence to:

- > serve as a source of independent advice to the Board with regard to ABCN strategy and external relations
- > ensure that ABCN remains focussed on high-impact engagement
- > participate personally with ABCN and encourage and inspire other business leaders to commit to joining as ABCN members, thereby expanding the resources and influence of ABCN in the wider, general community

- > raise ABCN's profile and build its brand and reputation, and
- > engage with schools and the broader community.

Board Members

As of 31 December 2012, there were nine directors on the Board, including the Chief Executive Officer. Other than the Chief Executive Officer, the Board members are non-executive directors and receive no remuneration for their services. The non-executive directors are drawn from the senior executive management of ABCN's member organisations. They are nominated by the ABCN Council and appointed by the Chairman.

The company's constitution specifies:

- > there must be no less than three and no more than 12 directors, and
- > directors who have held office for more than three years must retire at the next annual general meeting - such directors, if they are not otherwise ineligible, may stand for re-election.

The Board's charter further provides that, unless changed by a majority vote of the directors:

- > the maximum term for the Chairman as a director is six years
- > the maximum term for other directors is three years
- > there will be a majority of non-executive directors, and
- > the Board will review its size, composition and performance, including each director's performance, annually.

Roles and Responsibilities of the Board

The Board fulfils its primary role of meeting ABCN's objectives and complying with the relevant *Corporations Act* requirements through:

- > governing, rather than managing, ABCN by ensuring that there is a proper governance framework in place to promote and protect ABCN's interests for the benefit of its members
- > setting goals and policies and, specifically, approving ABCN's strategies and strategic plan
- > monitoring the performance and contribution of Board members
- > selecting and regularly evaluating the performance of, and if necessary, replacing the CEO
- > setting standards for proper governance practices (including appropriate standards of ethical behaviour, corporate governance, and social and environmental responsibility) and monitoring the processes to ensure adherence to these standards

- > selecting, appointing and monitoring the performance of the external auditors
- > monitoring financial performance and reporting
- > approval of ABCN's annual budget
- > approval of ABCN's annual financial report
- > monitoring key risk areas by ensuring the implementation of a suitable risk management and internal controls framework
- > reviewing the adequacy of systems to comply with all laws and regulations which apply to ABCN and its programs
- > approval of ABCN's insurance arrangements, and
- > ensuring that all legal and commercial requirements are met in terms of proper reporting and disclosure.

In discharging its role, the Board considers the guidance and advice of the Council but will not be bound by such guidance and advice.

Board Oversight

The Board oversees and monitors management's performance by:

- > meeting at least three times per annum
- > receiving detailed financial and other reports from management at these meetings
- > requesting and receiving additional information and input from management when necessary, and
- > regular communication between the Chair and the CEO.

Aspirations

Exploring Career Options and Workplace Skills

Aspirations is designed for students in their senior years of high school, to broaden their awareness of career options and equip them with knowledge and tools to make informed decisions about their choices and pathways after school.

The program focuses on Year 11 as this is a critical stage for students in determining what type of further education they will pursue, or whether they will continue with school at all. The aim is to enable students to engage in the workplace and build an understanding of the types of skills that are required in a modern work environment. Sessions include developing essential employability skills, interview techniques and exploring post-school options.

The program usually runs over one to two school terms and involves a launch at the school and four subsequent sessions of around three hours each, all held at member company venues. Students and mentors sit in small groups, typically with two mentors and five students in each group.

Aspirations continued to grow significantly this year, expanding from 271 mentors and 452 students in 2011 to 360 mentors and 644 students in 2012.



To the students - it was an absolute privilege to be a part of this journey with you!

Mentor



Aspirations gave me a better understanding of what employers are looking for and practical skills when trying to apply for different job.

Student



Career Choice Day

One-day Work Experience Opportunity



I enjoyed the opportunity to talk to the kids and encourage them to be open to all that may be presented to them in their future job experience.

Mentor



The things that I thought were boring before today I am now considering studying. I was surprised at myself for being interested when I didn't think I was going to be.

Student

Career Choice Day is a one-day experience targeting students in Years 10 and 11 as they begin to consider career options for the future and the relevant study pathways required. It is specifically designed to broaden students' awareness of the vocational choices that are available to them.

Participants are from high-needs schools who are often limited in their access to work opportunities and positive role models in their immediate community. For many, this may be the first time they have travelled to the city and been exposed to different industries and career options.

The day involves groups of students visiting one of ABCN's member companies where they learn about the workplace, different roles and the various career pathways of some of their employees. Students have the opportunity to engage with some of the staff members over lunch and throughout the day and participate in facilitated activities.

In 2012, 1060 students participated in *Career Choice Day* with 541 corporate participants.

Focus

Young Women's Leadership Program

The *Focus* program seeks to provide young women from high-needs schools with the essential leadership skills they need to engage in a successful, meaningful career.

Through a series of three structured, facilitated sessions, the program encourages the students to aspire to senior roles in business and the community and improve achievement while also fostering a sense of self-belief and confidence in their leadership abilities. Working in small groups with female executives who act as role models and mentors, participants will explore current thinking about leadership and have the opportunity to work with, and learn from, the experience of successful women in corporate Australia. Sessions include an introduction to leadership, realising strengths and developing leadership and creating a leadership picture.

The program typically targets young women from Years 10, 11 and 12. Participants in the program are students who already demonstrate leadership potential. They may already be holding leadership positions or are about to enter into leadership positions in their schools.

Focus was piloted this year in Melbourne with Minter Ellison and the Commonwealth Bank with great success and we expect a national take-up of the program by our member companies 2013.



Focus was a great opportunity. I never felt more confident about my future and I know I can do it!

Student



Focus is a positive way to influence young leaders in the community and get a sense of personal satisfaction.

Mentor

Growing Opportunities and Learning Skills (GOALS)

Year 9 Mentoring Program



Being part of the GOALS program has made me a more confident speaker. I now set my own goal on completing school work and assessments and succeed on completing the goals.

Student



Not only are you potentially making a difference to a student's life, you get a lot out of it yourself.

Mentor

GOALS is a one-on-one mentoring program designed to widen the life choices and aspirations of Year 9 students from high-needs schools who are at risk of disengaging from school. These students have little opportunity to network outside their immediate community and are often lacking in professional role models who can demonstrate or encourage career options. This limited social network combined with financial constraints can result in a higher likelihood of leaving school early.

The focus of GOALS is to raise awareness of the wider personal, educational and vocational choices available for students and maintain their engagement at school. This is achieved through structured group and individual mentoring sessions with business people working in a range of roles and businesses. The program encourages the completion of Year 12 and the potential for further tertiary study at TAFE or University.

Students are matched with a corporate mentor who has shared interests and experiences. They meet as a group at corporate venues and take part in a range of activities that focus on topics such as setting goals, communication, managing finances and preparation for the workforce.

In 2012, 486 students participated in GOALS where they were mentored and supported by 691 corporate volunteers.

InterACT

A Program for Students Who Are New Arrivals to Australia



InterACT is designed specifically for recently arrived, high school-aged migrants and refugees whose first language is not English. Their experience is exacerbated by limited social networks, poor cultural and vocational literacy, little or no formal schooling in their country of origin, low socio-economic status and often exposure to violence, deprivation and loss throughout the resettlement process.

The focus of *InterACT* is to support these students in gaining the cultural and vocational literacy they need to participate in Australian life. While the emphasis is on soft skills such as communication and building relationships, there is also a critical socialisation aspect as students learn to sustain adult conversations in English with a positive role model outside their immediate community.

The program involves students and accompanying teachers travelling to a corporate venue for six facilitated sessions. Students are placed into groups and typically two mentors are matched with four to five students.

87 students participated in Interact in 2012, which was an increase of 26% from 2011. Mentor participation also increased by 37%.



I feel like the mentors are a member of my family or that I've known them a long time.

Student



What students get from *InterACT* is confidence. The benefits of the program are the lovely connections they make and seeing the massive opportunities ahead.

Principal

Partners in Learning (PiL)

Business and Education Leaders Partnerships

PiL is a program that supports business and educational leaders by linking them together to share experiences and expertise, solve problems and explore leadership challenges.

The focus of the program is to further professional development through enhanced management and leadership skills. It's also an excellent opportunity for both partners to collaborate on research and information - educators are able to comprehend what businesses require in school graduates and tertiary training while business leaders are able to learn more about their future customers and employees.

Executive business members and educators from primary or secondary schools are partnered and meet approximately four times a year. Initial meetings are typically held at the school with subsequent meetings at the member company or at a venue that suits the participants and the purposes of the meeting.

In 2012, there were 64 partnerships nationally, which created many opportunities for the schools and companies involved.

Partnerships, Opportunities and Projects (POP)

One-day Event to Support High-needs Schools

POP activities allow ABCN member companies to support high-needs schools through a variety of one-day activities that benefit the school community. They provide opportunities for employees who are unable to commit to a sustained program - or for employee groups wishing to participate in a team-building activity.

Many high-needs schools struggle with the budget and people-power necessary for general maintenance such as painting, clean ups, gardening and repairs. Often stretched to cover their core business of teaching and learning, they also lack the resources to assist with strategic planning, professional development and finance and management advice.

By investing their time and expertise through these one-day activities, corporate professionals can make a significant difference while also sending a positive message to students and staff that the business community values their school.

Some examples of successful activities include a schoolyard blitz, a strategic planning workshop, an apprenticeship and traineeship offer, building a sustainable garden, marketing and PR advice, a résumé

and interview workshop or work experience. Students and employees meet as a group and often share lunch.

In 2012, 32 schools benefitted from direct support through member companies volunteering their time and expertise.



Read, Inspire, Strive, Exceed (RISE) High School Reading Program

RISE is a literacy program focusing on high school students who demonstrate lower-than-average literacy skills. These students have minimal opportunities for reading outside of the school environment and would benefit from one-on-one engagement to improve their reading and comprehension and build self-confidence.

Poor literacy skills are closely linked to low self-esteem, under-performance at school and negative adult life outcomes. RISE aims to address this issue with one-on-one mentoring sessions that target reading and comprehension at high school level. However, it also incorporates socialisation and confidence building as the mentors involved demonstrate positive adult role modeling and encourage the student personally. For many students, these sessions are important opportunities for sustained adult conversations in English and represent a safe environment to develop their self-esteem.



RISE has made a real difference for these young people.

Principal



I read a book!
And there are five more in the series - I want to read them all.

Student

Students are identified and selected by their school prior to being matched with a mentor. Typically drawn from Years 7, 8 and 9, the students' travel to their mentor's company to take part in the sessions.

During 2012, RISE program numbers continued to increase steadily with a 12% rise in both student and mentor participation.



Realising Your Potential (RYP) **Two-day Young Leaders Program**

RYP is a two-day program for young student leaders from high-needs schools to develop their potential. It focuses on building and strengthening essential skills for leadership and developing an awareness of professional presentation.

The program aims to provide young leaders with opportunities and guidance in setting goals, developing communication techniques, increasing awareness of the business world and reflecting on their contribution as leaders.

Ernst and Young and Optus piloted RYP this year as a two-day initiative. During the day, participants were engaged in facilitated sessions and in the evening they attended a dinner with their mentors in a corporate environment. Students were also provided with overnight accommodation in the CBD.

The RYP students form an integral part of ABCN's student alumni and attend important ABCN functions and celebrations to maintain their networks.

Spark

Primary School Reading Mentoring Program

Spark is a basic reading and literacy program designed for primary school children who require assistance in developing their reading and comprehension skills. These children have little opportunity for reading outside of school and would benefit from one-to-one attention to help build confidence and self-esteem.

While the focus of the program is on reading and comprehension, there is a critical element of socialisation with reading mentors acting as positive and reliable role models for the participating students. The one-on-one time involved in the program provides an opportunity for sustained conversations in English, encourages the student personally and has a powerful impact on their enjoyment of reading.

Students participating in the program are typically from the early stages of primary school and are matched with a mentor for weekly one-on-one sessions. The program works on a buddy system for mentors who alternate their visits to the school, reading with their student once a fortnight.

Spark remains our largest and most popular program with participants increasing each year. In 2012 more than 1000 mentors took part in the program.



Technology, Enterprise and Mathematics (TEAM)

Year 10 Mentoring Program



In the TEAM program, we learnt to translate technology, teamwork, leadership and creativity into a quality presentation.

Student



As a principal, I see lots of presentations. But watching the students present at the end of the TEAM program was one of the best times I've had watching presentations in my career.

Principal



TEAM is a mentoring program for Year 10 students from high-needs schools to provide them with the relevant skills they require to gain meaningful employment.

Based around a project management simulation, the objective is to equip students with the business skills they require but also to stimulate their interest in technology and maths, highlighting the fact that both subject areas are applicable in a contemporary workplace. While the participants may have already demonstrated an interest or skill in mathematics and technology related subjects, this is not a requirement.

The program involves students and accompanying teachers travelling to a corporate venue to attend four, three-hour workshops. The students work with their mentors in small teams to create a business project proposal, which is presented in the final session.

Despite the specialised nature of this program there was a 16% increase in student participation in 2012. The final presentations developed and delivered by the students were outstanding and reflected the professional skills they acquired throughout the program.

Transitions

Primary School Mentoring Program

Transitions is a small group-mentoring program developed to assist students with the sometimes-difficult transition to the middle years of school. The students participating in the program are from high needs schools and do not necessarily have the networks or support to provide them with a positive and meaningful vision of their future careers.

The *Transitions* program supports students in understanding and learning about various industries, the different types of work people do and ways of operating. It also gives students the opportunity to think about themselves and how they may contribute to the world of work and to start creating visions of what careers they may want in the future. Students selected for this program are typically in their final year of primary school or first year of high school. There are six group sessions held over two school terms usually with two mentors and five students in each group.

In 2012, we ran a small number of *Transitions* programs but due to a lack of take-up from schools and member companies this program will not be offered in 2013.

1:2:1

Primary School Mathematics Tutoring Program

1:2:1 is a basic numeracy and counting program designed for primary school children who require assistance with the development and understanding of basic mathematical skills. These children have limited opportunities to build on their numeracy outside of school and would benefit from one-to-one attention with a mentor to help build confidence and self-esteem.

While the program focuses on developing an understanding of maths and its applications, it also incorporates a critical element of socialisation and confidence building, with mentors acting as positive and consistent adult role models for the participating students. The one-on-one time involved has a powerful impact on student performance and their overall enjoyment of maths.

The program generally targets students from Year one, as this year is widely recognised to be a critical point of numeracy development. Participating students have been identified and selected by their school before being matched with a mentor for weekly sessions.

1:2:1 was originally piloted by the Commonwealth Bank and close to 300 mentors from this company have participated in the program to date. Its popularity and success has ensured 1:2:1 will be offered to other member companies and schools in 2013.



The most valuable thing I learnt is that sometimes it takes a team to do things well.

Student



It was such a successful exercise ... I'd like it to commence earlier so that the teachers could reinforce the fantastic gains made by the mentors.

Principal



Program Delivery

ABCN delivered 338 programs in 2012, an increase of 6% on 2011.

	ACT	NSW	Qld	SA	Tas	Vic	WA	National
--	-----	-----	-----	----	-----	-----	----	----------

High School

Aspirations		19	6			6	4	35
GOALS		12	2			5	5	24
InterACT		4				1		5
RISE		7	6			4	2	19
TEAM		5	1			1		7
PiL		23	12	4		14	11	64

Primary School

Spark	6	23	13	6	1	16	8	73
Transitions	1	1	1					3
1:2:1		9		1	1		1	12

Pilots

Focus						1		1
RYP		1						1

One-day Events

Career Choice Day	2	20	11	7		14	8	62
School-based Activities		13	7	4		4	4	32
Total Programs	9	137	59	22	2	66	43	338

Session and participant numbers grew more strongly with students mentored up 22%.

	2005	2006	2007	2008	2009	2010	2011	2012	Totals 05-12
Businesses	11	23	28	28	26	29	30	32	
States/Territories	1	1	4	5	5	7	7	7	
Schools	12	28	69	120	157	188	216	220	
Mentors*	102	197	625	1,575	2,089	2,522	2,812	2,856	12,778
Total Volunteers**	102	197	625	1,575	3,789	4,515	4,537	4,404	19,744
Students Mentored*	38	112	504	1,044	1,385	1,863	2,275	2,422	9,643
Total Students	4,000	4,637	4,210	6,289	7,762	8,802	10,586	13,497	59,783
Sessions, Visits, Experiences	75	140	481	1,233	1,366	1,975	2,037	2,070	9,413
Volunteer Hours	1,000	3,000	12,000	18,000	24,000	36,319	38,158	39,035	171,512

* In sustained mentoring programs including PiL, GOALS, *Aspirations*, TEAM, *Transitions*, *Spark* and RISE.

** In all ABCN activities including POP one-day activities.



Financial Information

for Year Ending 30 June 2012

Basis of Presentation of Financial Information

ABCN prepares a financial report in accordance with the *Corporations Act* and relevant accounting standards. This financial report is approved by the Board of Directors and audited by Grant Thornton Audit Pty Ltd. The statutory financial report is lodged with the Australian Securities and Investments Commission and is also available on request.

The financial information contained in this report is drawn from the information used in preparing the audited financial report. However, as the full financial report contains other details and disclosures, including the basis of preparation of the financial report, reference should be made to audited financial statements before placing any reliance on this information.

Income

ABCN's main source of income is membership fees. These range between \$15,000 and \$65,000 per member depending on the size of the organisation. Total membership fee income for the 2012 financial year was \$1,683,952 compared with \$1,608,748 for the 2011 financial year.

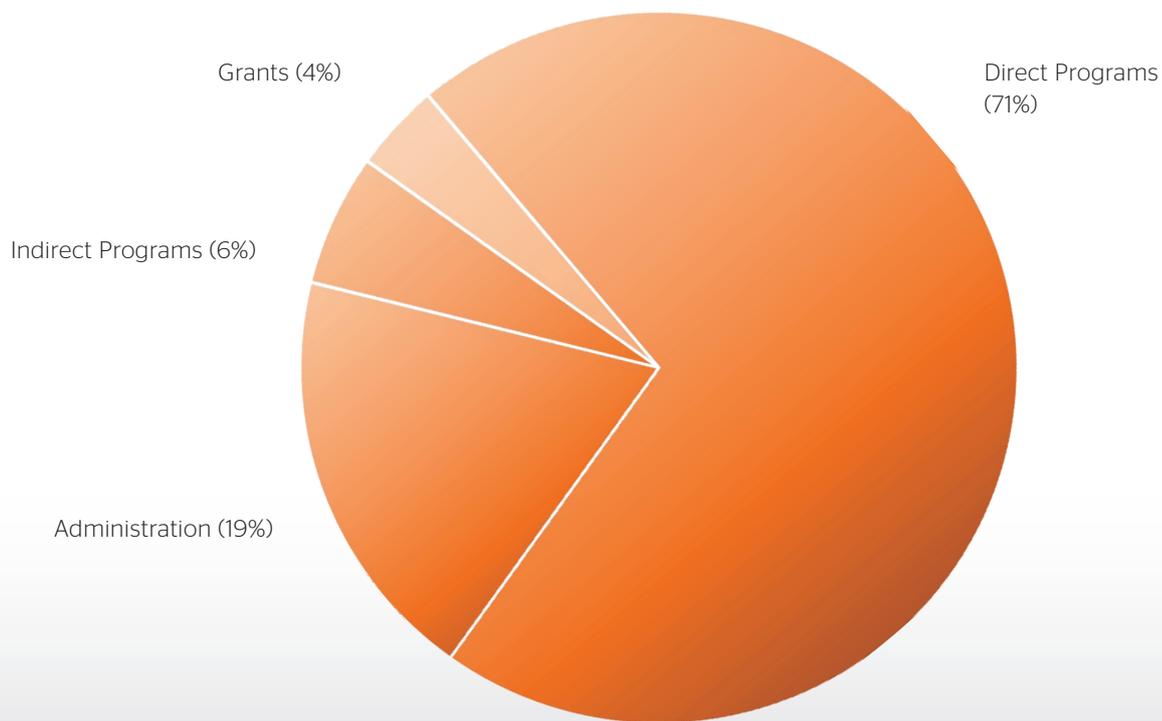
Other income included grants from the Commonwealth Bank of Australia to continue the 1:2:1 mentoring program, and from JP Morgan Global Foundation to deliver an Arts Access program for disadvantaged children. Interest income for the year was \$98,894 compared with \$86,577 for the 2011 financial year.

Expenditure

ABCN operates on a financial year basis, but programs are reported on a calendar year basis to align with the school curriculum.

Total expenses for the 2012 financial year were \$1,896,941.

2012 Full Year Program Costs



Program expenditure continues to be the largest single component of ABCN's costs. The direct cost of program delivery, that includes development, delivery, materials, transport, co-ordination, evaluation and reporting, makes up 71% of all expenditure. Indirect program costs include some facilities, depreciation, insurance and professional fees, without which the ABCN could not continue to delivery programs in schools and member companies.

Administration costs rose slightly as a percentage of total costs, due to the growth in the number of member companies and participation numbers across all states, which includes an increase of 22% in students in 2012.

Grant costs are related to the disbursal of the JPMorgan Global Foundation grant for the Arts Access program, a program to provide access to arts experiences including workshops, performance tickets and transport for disadvantaged students.

Surplus for the Financial Year

The surplus for the financial year to 30 June 2011 was \$357,636 compared with \$250,305 for the year to 30 June 2010. A summary of the components is set out below. More details are available in the statutory financial report.

	Notes	2012 \$	2011 \$
Surplus before income tax		100,407	357,636
Income tax		-	-
Surplus for the year		100,407	357,636

Financial Position

ABCN continues to be in a strong financial position. A summary of the financial position as at 30 June 2010 and 2011 is set out below. More details are available in the statutory financial report.

Cash Flows from Operating Activities	2012	2011
	\$	\$
Membership fees	1,662,210	1,769,623
Grant income	190,137	85,508
Interest income received	98,894	86,577
Payments to suppliers & employees	(1,809,452)	(1,640,344)
Other operating receipts		
Net cash provided by operating activities	141,789	301,364
Cash Flows from Operating Activities		
Purchase of property, plant & equipment		(6,754)
Net cash used in investing activities		(6,754)
Net change in cash & cash equivalents held	141,789	294,610
Cash and cash equivalent at beginning of financial year	1,455,244	1,160,634
Cash and cash equivalent at end of financial year	1,597,033	1,455,244

The increase in cash and cash equivalent between 30 June 2011 and 30 June 2012 reflects the surplus for the financial year of \$100,407 in addition to previous retained earnings. The company's constitution prohibits the distribution of any part of the profits or income or property as dividends or otherwise.



Board of Directors

Carey Badcoe

Chief Executive, Australian Business and Community Network

Carey Badcoe was appointed Chief Executive of the Australian Business and Community Network on 14 September 2005. Carey has worked widely in the arts, media and community areas, in both the private and public sectors, for the past 20 years. Her former roles include being Head of Community & Sponsorship for IAG, General Manager of Ovation, at the Sydney Opera House and an advisor to the Federal Minister for the Arts and Communications.

Paul O'Sullivan

Chief Executive Officer, Optus and Chairman of Australian Business and Community Network

Paul O'Sullivan was appointed to the role of Chief Executive of Optus Pty Limited (Optus) in 2004. Paul is responsible for all aspects of the performance and operations of Optus, Australia's second largest telecommunications company.

Pierric Beckert

Managing Director, American Express Australia Limited

Pierric Beckert has held the position of Managing Director of American Express Australia since 2006. Prior to this appointment, Pierric was head of American Express Asia Pacific commercial division from 2003-2005.

David Clarke

Chief Executive, Investec Bank Australia Limited

David Clarke was appointed to the position of Chief Executive Officer of Investec Bank (Australia) Limited in June 2009 and is also a member of the Global Operating Forum for the Investec Group (Investec Plc and Investec Ltd). He has 25 years experience in investment banking, funds management, property and retail banking and is a member of the University of New South Wales Medicine Advisory Council.

Stephen Fitzgerald

Managing Director, Chief Executive Officer, Goldman Sachs JBWere

Stephen Fitzgerald is CEO and Managing Director of Goldman Sachs JBWere. He joined Goldman Sachs in 1992, became Managing Director in 1998 and a partner in 2002. Prior to joining Goldman Sachs JBWere, Stephen was head of Goldman Sachs Asset Management International. In that capacity, he was responsible for GSAM's business outside North America, encompassing Latin America, Europe, the Middle East and Asia Pacific. Previously, he was head of the Investment Management Division in Asia and spent eight years as Chief Investment Officer for GSAM's global fixed income and currency business.

Matthew Grounds

Chief Executive Officer, UBS Australasia

Matthew Grounds is CEO of UBS Australasia and Global Head of UBS Investment Banking. He is a member of the UBS Asia Pacific Management Committee, the UBS Global Executive Committee and a Group Managing Director. With more than 20 years investment banking experience, Matthew is one of Australia's leading corporate advisers and has been responsible for a number of landmark transactions for major Australian and international companies.

Robert Milliner

Chief Executive Partner, Mallesons Stephen Jaques

Robert Milliner has been Chief Executive Partner of Mallesons since 2004. Prior to taking up this role he was based in Hong Kong as Managing Partner, International. Robert is a director of the Business Council of Australia, Chair of the Business Reform Taskforce and Board member of Australian Charities Fund and ABCN. He is also Deputy Chair of the firm's *Mallesons in the Community* program.

Matthew Quinn

Managing Director, Stockland Corporation Limited

Matthew Quinn has been Managing Director of Stockland since 2000. He was National President of the Property Council of Australia from 2003 to 2005 and is a member of the Business Council of Australia's education, skills and innovation task force.

John Weber

Chief Executive Partner, Minter Ellison

John Weber has been the Chief Executive Partner at Minter Ellison since 2009. Prior to this appointment, he was Managing Partner at one of Minter Ellison's Australian offices, Government Industry Group Leader and a senior partner in the firm's Dispute Resolution Division. He is a director of the Large Law Firm Group, a member of the Business Council of Australia and its Labour Market, Skills and Education Committee and also a member of the European Australian Business Council.

Geoff Wilson

Chief Executive Officer, KPMG in Australia

Prior to being appointed as KPMG's CEO in January 2008, Geoff Wilson was the National Managing Partner of Audit and Risk Advisory Services for the Australian practice. In this capacity, he also served as Chief Operating Officer for the Asia-Pacific Audit and Advisory practice and was a member of KPMG's Global Audit Leadership Group. Geoff is also a board member of the Business for Millennium Development and a member of the advisory council of the Australian School of Business at UNSW. He is also a member of the Great Barrier Reef Foundation's Chairman's Panel.

Helen Zimmerman

Executive General Manager English at Navitas Limited

Prior to joining Navitas as head of the English Division, Helen Zimmerman was Managing Director of the ACL Group of companies. She is a board member of the International Education Association of Australia and on the ETS TOEFL Advisory Group. From 2002 to 2008, Helen was a member of the NSW Vocational Education and Training Board. In 2010, she was one of five national finalists for the Equal Opportunity for Women in the Workplace Agency's award of Leading CEO for the Advancement of Women. She was named as a Paul Harris Fellow by the Rotary Foundation of Rotary International in 2010 and is Secretary of a not-for-profit children's charity.

Board of Directors Meetings Attendance

Directors	16 July 2011	20 October 2011	15 March 2012	14 June 2012
Carey Badcoe	*	*	*	*
Paul O'Sullivan (Chair)	*	*	*	*
Pierric Beckert (appointed 14.04.11, resigned 31.01.12)	*	A	N/A	N/A
David Clarke (appointed 20.10.12)	N/A	N/A	*	*
Stephen Fitzgerald	A	*	*	*
Matthew Grounds (appointed 14.04.11)	A	*	*	*
Robert Milliner	A	*	A	*
Matthew Quinn	A	*	A	A
Geoff Wilson	A	*	*	*
John Weber (appointed 20.12.12)	N/A	N/A	A	*
Helen Zimmerman (appointed 14.04.11)	*	A	*	*

* = Attended, A = Absent, NA = Not eligible to stand.

ABCN Council Members

Optus	Paul O'Sullivan, CEO (Chair)
ABCN	Carey Badcoe, Chief Executive
Allen & Overy	Grant Fuzi, Managing Partner
American Express Australia Ltd	Pierric Beckert, Managing Director
Aussie	Stephen Porges, CEO
Bain & Company Inc	Dale Cottrell, Managing Partner
Blackmores	Christine Holgate, CEO
Citi Australia	Stephen Roberts, CEO Institutional Clients Group and Citi Country Officer
Commonwealth Bank of Australia	Ralph Norris, CEO
CSR	Rob Sindel, CEO
Deloitte	Giam Swiegers, CEO
Ernst & Young	Rob McLeod, Oceania Managing Partner and CEO
Founder, ABCN	Michael Hawker AM
Fuji Xerox Australia	Nick Kugenthiran, Managing Director
Goldman Sachs	Stephen Fitzgerald, Co-CEO
Hall & Wilcox	Tony Macvean, Managing Partner
iiNet	Michael Malone, CEO
Insurance Australia Group	Mike Wilkins, CEO and Managing Director
Investec (Australia) Limited	David Clarke, CEO
JP Morgan	Robert Priestley, CEO
KPMG	Geoff Wilson, CEO
Mallesons Stephen Jaques	Robert Milliner, Chief Executive Partner
Microsoft Australia	Pip Marlow, Managing Director
Minter Ellison Lawyers	John Weber, Chief Executive
MLC	Steve Tucker, CEO
Navitas	Helen Zimmerman, GM
ninemsn Pty Ltd	Joe, Pollard, CEO
O-I (Owens Illinois)	Brian Slingsby, CEO
PricewaterhouseCoopers	Mark Johnson, CEO
Qantas Airways Limited	Alan Joyce, CEO
Stockland	Matthew Quinn, Managing Director
UBS	Matthew Grounds, CEO
Wesfarmers	Richard Goyder, Managing Director and CEO

ABCN Head Office
Level 3, 141 York Street, Sydney 2000

Postal Address
PO Box Q394 Sydney 1230

For all program queries please find relevant contacts for each state below:

New South Wales

Caroline Dodson
02 8988 6855 or caroline.dodson@abcn.com.au

Western Australia

Imogen Bartlett
08 9263 7245 or imogen.bartlett@abcn.com.au

Queensland

Heather Smith
0432 830 237 or heather.smith@abcn.com.au

Victoria & South Australia

Shaun Minehan
03 9603 3443 or shaun.minehan@abcn.com.au

Australian Capital Territory

Gerry Meleady
02 8988 6853 or gerry.meleady@abcn.com.au