



2009 ANNUAL REPORT

CONFERENCES



DIRECTORS



LEADERSHIP



AWARDS



RISK



MBA



Our Vision

To be the leading facilitator of education, professional development and networking activities for directors & managers, leaders & aspiring leaders within the mutual ADI sector.

Our Focus

Organisation/Corporate

- A professional membership body concerned with the facilitation of education & professional development of its principal stakeholder group.
- An organisational structure based upon a small national office staff and volunteer network to support administration, major events (eg. Conferences), and PD/educational courses run on a national basis.
- An operational focus, divided equally between regional & national activities on an annual basis, and an increasing focus on engagement with younger members.

Membership

- Open to Non-executive directors, executives and managerial staff of mutual institutions, including building societies and credit unions.
- Membership is also open to representatives of organisations providing services and/or conducting business with the industry.

Product & Services

- A range of relevant, competitively-priced conferences, courses, seminars and member forums to deliver education, professional development and networking opportunities – at both national and regional level – for Institute members;
- Resources materials for non-executive directors and senior managers (ie. Director Compliance Manual & Director Companion booklet); and
- Joint-venture and co-branding initiatives with external service providers (ie. board evaluation; remuneration and HR practices surveys).

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2009 Annual Report - AMInstitute Overview

Chairman's Report to Members

2009 marked a year of significant challenges for the *Australasian Mutuals Institute* (AMInstitute), and it was clearly the most challenging year of operation since the merger between AICUD and AICUM in January 2006. Now, as the mutual financial sector continues to undergo change and consolidation to remain competitive and sustainable following the global financial crisis (GFC), AMInstitute will also need to do the same.

The education and professional development of directors and managerial staff of mutual ADIs continues to be the principal focus of the organisation. Earlier in the year, we acknowledged the need to broaden our focus to include all employees within the credit union and mutual building society sector and our objectives now reflect this fact. During 2009 and in the midst of the fallout from the GFC, the Institute continued to deliver its membership a range of training courses, seminars and conferences, aimed at non-executive directors, managers and staff of mutual ADIs and continued to deliver a dual-stream (ie. director and manager) program of professional development and networking events based on the core of our membership.

The past year has been a time of consolidation and accelerated change within our industry, posing new challenges and opportunities for the Institute moving forward. Recognising this, AMInstitute began talks with *Abacus - Australian Mutuals* earlier in the year to forge greater collaboration and a stronger working partnership between the two organisations.

This has been an unusually difficult year for AMInstitute due to substantial cuts in spending by a large number of credit unions and mutual building societies. Most activities on the Institute's calendar of events saw a significant decline in registrations leading to postponement or cancellation of various professional development programs during the year, and this in turn had a significant impact on income for the Institute.

In terms of our calendar of events for the year, the annual professional development program for 2009 commenced with the third weekend module of Diploma Course 15 in Sydney during February. The highlight of the year was a still very successful fourth AMInstitute National Conference & Exposition which was held at the National Convention Centre in Canberra in mid-March. It was the first of two major events conducted by the Institute during the year and was the organisation's showcase to members and the industry. The National Conference and Exposition continued to deliver a familiar format developed over the three previous years, but one that incorporated some additional changes and improvements to reflect the composition of the Institute's membership, comprising of non-executive directors, managers and staff. Clearly, with a noticeable decline in both delegate registrations and exhibitor participation, along with falling sponsorship levels, the Conference has continued to adapt and evolve each year as it continues to host the industry's largest and longest running trade show. As we have done every year, we endeavour to "raise the bar" and improve on the standards we have set for ourselves.

This, together with the Leadership Development Conference (LDC) held on the Gold Coast in August, emphasised the on-going challenges in meeting the needs and expectations of a diverse membership. This year's LDC theme was aptly titled *Capitalising upon Opportunities in a Changed Market*. Based on the experience of the previous two years, the 2009 LDC continued with a one and a half day format aimed at directors, CEOs and senior managers, and strongly focused on issues concerning governance and corporate strategy. Both conferences remained the most profitable area of the Institute's activities during the year.

Although there were some exceptions, most other activities throughout the year were far less popular or as well supported as they had been in previous years. Within the director stream, Diploma Course 16 commenced in July, and there were still several *Risk Management* courses held during the year, although there were far fewer than in 2008. Within the management stream, existing programs such as the *Marketing Workshop* and the *Advanced Managers' Forum* saw greatly reduced attendance levels, whilst the *Skills & Career Development Workshop*, together with the long-running *Financial Management Course*, were amongst those programs which were postponed or cancelled during the year.

The role played by our four voluntary Regional Councils cannot be underestimated and should also be acknowledged. Each Regional Council undertook the planning, organisation and conduct of various professional development and networking events, many of which continued to be highly successful in terms of attendance, which complemented and supported the programs delivered by the national body throughout the year. On behalf of the AMInstitute Board, my sincere thanks to all our Councillors for their efforts throughout the year.

Having long maintained a policy of aiming to achieve a modest surplus or at worst, a small loss, our end of year result for 2009 is an extremely poor one. The scale of the loss was not forecast at the start of the year and is a reflection of the difficult business conditions that have existed over the past twelve to eighteen months. It is a significant loss for the Institute and underscores the need for our long-standing policy of maintaining reserves at current levels while providing a comprehensive range of professional development programmes at very competitive prices to ensure we provide maximum value for our members. Of course, as we now move into 2010 we will be taking the opportunity to review our programs, to ensure they are not only relevant and are priced competitively but that they are also viable from the Institute's perspective.

After eleven years on the Board, eight of them as Chairman, firstly with AICUM and then AMInstitute, and as Graham Olrich no longer met the constitutional requirements to remain on the Institute Board, Graham resigned from the Board on 29 January 2010. On behalf of the Board we would like to thank Graham for his contribution to the Institute over the last 11 years.

Following Graham's resignation, and Mark Kotorac's decision to also leave the Institute, the Board has asked Graham Olrich to assume the role of Interim / Acting CEO pending a full review of the Institute's business plan, organisational structure and professional development programme. Also on behalf of the Board we would like to thank Mark for his valuable contribution over the last nine and a half years.

Finally, on behalf of the Board I would like to thank our many members, business partners and sponsors for their wholehearted support during the past year as we look forward to a challenging but rewarding 2010 in the provision of education and professional development services to the mutual ADI sector.

KEN CAMPBELL FAMI
National Chairman

2009 Annual Report – Directors' Report

Your Directors submit their report for the period ended 31 December 2009.

Principal Activities

The principal activities of the company during the year were to:

- promote excellence, professionalism and integrity in the directors & managers of all Mutuals; to improve their knowledge and skills with respect to their rights, duties and responsibilities; and, to promote a high standard of ethics amongst such directors, managers and staff;
- enhance excellence and professionalism in all aspects of the governance & management of Mutuals;
- facilitate the education and professional development of Mutual directors, managers and staff at national and regional level; and provide these services cost-effectively to members;
- uphold and maintain the philosophy and principles of the Mutuals, through networking, co-operation and the exchange of ideas among members;
- promote the management of Mutuals as a career;
- affiliate with organisations with similar objects both within and external to the Mutuals Sector; and
- ensure that directors, managers and staff keep up-to-date with relevant legislative, economic and social matters which affect their roles and responsibilities as credit union and mutual building society directors, managers and / or staff.

Directors

The names and details of the Directors of the Company in office at any time during the year or since the year end up to the date of this report are:

Peter Graham Olrich	Chairman Director of AICUM since 1999
Kenneth George Campbell	Deputy Chairman Director of AICUD from 1995 - 2005 Vice Chairman Queenslanders Credit Union Ltd, QLD
Daniel Joseph Cloghan	National Director Director of AICUD from 2000 - 2005 Director, Community CPS Australia, WA

Gregory John Connor	National Director Director of AICUM since 2001
Malcolm Stuart Graham	National Director Director of AICUD from 2005 - 2005 Director, Gateway Credit Union Ltd, NSW
Ashley John Jennings	National Director Director of AICUM since 1999 Chief Executive Officer, Sydney Credit Union Ltd, NSW
Scott Rodney King	National Director Director of AICUM since 2004 Chief Executive Officer, Qantas Staff Credit Union Ltd, NSW
Steve Sampson	National Director – resigned 27 th March 2009 Director of AICUM since 2003 Chief Executive Officer Plenty Credit Union Ltd, VIC
Warwick Hugo Smith	National Director Director of AMInstitute from 2008 Chairman, Pulse Credit Union Ltd, VIC
Elsbeth Frances Torelli	National Director – Appointed 5 th June 2009 Director of AMInstitute from 2009 Executive Manager Finance Victoria Teachers Credit Union Ltd, VIC
Gregory John Wright	National Director Director of AICUD from 2004 - 2005 Chairman, Macarthur Credit Union Ltd, NSW

Company Secretary

The names and details of the Company Secretary in office at any time during the year or since the year end up to the date of this report are:

Mark Kotorac	Company Secretary Company Secretary since 2000 Chief Executive Officer, Australasian Mutuals Institute Ltd
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During the year the Board met on four occasions, 1 in Canberra & 3 in Sydney
Attendance at these meetings:

	Eligible to attend	Attended
Graham Olrich	4	4
Ken Campbell	4	4
Danny Cloghan	4	4
Greg Connor	4	4
Malcolm Graham	4	4
Ashley Jennings	4	3

Scott King	4	3
Steve Sampson	2	1
Warwick Smith	4	4
Elsbeth Torelli	1	1
Greg Wright	4	4

Directors' Benefits

Accommodation and traveling costs associated with the attendance of Directors at Board meetings were met by the Institute. No Director received or is entitled to receive a benefit by reason of a contract entered into by the company with a director, a firm of which the director is a member, or a company in which a director has a substantial financial interest.

The Directors received no other benefits.

Indemnifying Officer or Auditor

Insurance premiums have been paid to insure each of the directors and officers of the Institute, against any costs and expenses incurred by them in defending any legal proceeding arising out of their conduct while acting in their capacity as an officer of the Institute. In accordance with normal commercial practice disclosure of the premium amount and the nature of the insured liabilities is prohibited by a confidentiality clause in the contract.

No insurance cover has been provided for the benefit of the auditors of the Institute.

Review of Operations

A review of the operations of the Institute for the year 2009 is included within this Annual Report.

Operating Results

The net loss of the Institute for the year after providing for income tax and extraordinary items was \$168,968 [2008 Loss \$6,254].

2009 was a challenging year for many credit unions and mutual building societies. The impact of the global financial crisis (GFC) and downturn in business conditions had made a significant impact on budgets and expenditure for most of these mutual ADIs. As a result, many of the Institute's courses, conferences and networking events were impacted by a marked decline in delegate registrations, forcing the postponement or eventual cancellation of a large number of events during the year. Also affected, were exhibitor revenue and sponsorships. To address the situation the Institute will undertake a renewed business development program in 2010-11 to focus on member engagement and to raise the awareness level of the Institute's role and benefits of membership. As part of this business development strategy, AMInstitute has also commenced discussions with *Abacus – Australian Mutuals* to forge a closer, and more complementary partnership to meet the needs of directors, managers and staff within the sector. This will include assuming a greater involvement in the Emerging Leader program. In addition to this, and commencing during 2010, the Institute will also undertake an organisational restructure to reflect the changes and consolidation currently underway in the mutual ADI sector and, ensure the on-going viability and sustainability of the organisation.

Membership

Membership of the Institute as at December 31, 2009 stood at 1509, made up as follows:

	ACT	NSW	VIC	TAS	QLD	SA	WA	NT	O/S	TOTALS
Fellow	5	153	56	7	36	18	7	2	11	295
Associate Fellow	2	69	14	3	10	12	5		1	116
Member	13	428	157	12	114	89	24		34	871
Associate		27	9		7	2			9	54
Life Member		5			2					7
Honorary		3								3
Retired		9	4		1	1	2			17
Affiliate		61	32		30	18	5			146
	20	755	272	22	200	140	43	2	55	1509

Employees

The company employed 3 employees as at 31 December 2009.

Likely Developments and Results

No matter, circumstance or likely development in the operations has arisen since the end of the financial year that has significantly affected or may significantly affect: -

- (i) The operations of the Institute;
- (ii) The results of those operations; or
- (iii) The state of affairs of the Institute

in the financial years subsequent to this financial year.

Post Balance Date Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Institute, the results of those operations, or the state of affairs of the Institute in the year ending 31 December 2009.

Auditors' Independence

The auditors have provided the following declaration of independence to the board as prescribed by the Corporations Act 2001.

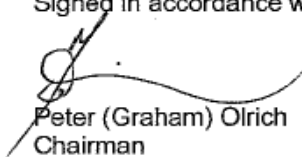
INDEPENDENCE DECLARATION

I, Neville Sinclair, a partner of BDO Audit (NSW – VIC) Pty Ltd declare that there have been;

- (i) no contraventions of the auditor independence requirements of the Corporations Act in relation to the audit for the year ended 31 December 2009, and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Signed Neville Sinclair
Director BDO Audit (NSW – VIC) Pty Ltd

Dated 28 January 2010.
Signed in accordance with the resolution of the Board



Peter (Graham) Olrich
Chairman
29th January 2010



Scott R. King
Director



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INDEPENDENT AUDITOR'S REPORT

To the members of Australasian Mutuals Institute Limited

Report on the Financial Report

We have audited the accompanying financial report of Australasian Mutuals Institute Limited, which comprises the statement of financial position as at 31 December 2009, and the statement of comprehensive income, statement of changes in equity and statement of cash flow for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company 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. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we 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 entity'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 an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.



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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001* would be in the same terms if it had been given to the directors at the time that this auditor's report was made.

Auditor's Opinion

In our opinion:

- (a) the financial report of Australasian Mutuals Institute Limited is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the company's financial position as at 31 December 2009 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

BDO

BDO Audit (NSW-VIC) Pty Ltd

A handwritten signature in black ink, appearing to read 'N E Sinclair'.

N E Sinclair

Director

Sydney, 5 February 2010

2009 Annual Report – AMInstitute Financial Statements

Australasian Mutuals Institute Limited
ABN: 50 023 683 196
STATEMENT OF COMPREHENSIVE INCOME
FOR YEAR ENDED 31 DECEMBER 2009

	Note	2009 \$	2008 \$
REVENUES FROM ORDINARY ACTIVITIES	2	1,159,094	1,405,984
EXPENSES FROM ORDINARY ACTIVITIES	3	<u>1,328,062</u>	<u>1,412,238</u>
LOSS FROM ORDINARY ACTIVITIES BEFORE INCOME TAX EXPENSE		(168,968)	(6,254)
INCOME TAX EXPENSE RELATING TO ORDINARY ACTIVITIES		<u>Nil</u>	<u>Nil</u>
NET LOSS FROM ORDINARY ACTIVITIES AFTER INCOME TAX EXPENSE		(168,968)	(6,254)
		<u>(168,968)</u>	<u>(6,254)</u>

STATEMENT OF CHANGES IN EQUITY
FOR YEAR ENDED 31 DECEMBER 2009

RETAINED PROFITS	1,140,152	1,146,406
Balance at the beginning of the year		
Profit/(Loss) for the year	<u>(168,968)</u>	<u>(6,254)</u>
Balance at end of year	<u>971,184</u>	<u>1,140,152</u>

The notes on the following pages form part of the above accounts

Australasian Mutuals Institute Limited
ABN: 50 023 683 196
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2009

	Note	2009 \$	2008 \$
CURRENT ASSETS			
Cash Assets	4	39,495	99,666
Investments	5	1,224,804	1,442,454
Receivables	6	195,482	203,436
TOTAL CURRENT ASSETS		<u>1,459,781</u>	<u>1,745,556</u>
NON CURRENT ASSETS			
Fixed Assets	7A	12,838	26,934
Intellectual Property – Directors Diploma	7B	1,750	3,000
TOTAL NON CURRENT ASSETS		<u>14,588</u>	<u>29,934</u>
TOTAL ASSETS		<u>1,474,369</u>	<u>1,775,490</u>
CURRENT LIABILITIES			
Payables	8	31,643	34,589
Receipts in advance	9	148,806	276,595
Provisions	10	64,806	62,344
TOTAL CURRENT LIABILITIES		<u>245,255</u>	<u>373,528</u>
NON CURRENT LIABILITIES			
Provisions	11	38,773	42,653
TOTAL NON CURRENT LIABILITIES		<u>38,773</u>	<u>42,653</u>
TOTAL LIABILITIES		<u>284,028</u>	<u>416,181</u>
NET ASSETS		<u>1,190,341</u>	<u>1,359,309</u>
EQUITY			
Capital reserve	16	219,157	219,157
Retained Profits		971,184	1,140,152
TOTAL EQUITY		<u>1,190,341</u>	<u>1,359,309</u>

The notes on the following pages form part of the above accounts

Australasian Mutuals Institute Limited
ABN: 50 023 683 196
STATEMENT OF CASH FLOWS
YEAR ENDED 31 DECEMBER 2009

	Note	2009 \$	2008 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers		954,636	1,281,908
Interest received		84,623	115,036
Payments to Suppliers and Employees		(1,317,080)	(1,413,632)
NET CASH FLOWS FROM OPERATING ACTIVITIES	17	<u>(277,821)</u>	<u>(16,688)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Redemption of Term Deposits		217,650	-
Investment in Term Deposits		-	(4,815)
Purchases of Fixed Assets		-	(12,683)
Purchase of Intangible Assets		-	(3,000)
NET CASH USED BY INVESTING ACTIVITIES		<u>(217,650)</u>	<u>(20,498)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
		-	-
		-	-
NET CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES		<u>-</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH HELD		(60,171)	(37,186)
OPENING CASH BROUGHT FORWARD		<u>99,666</u>	<u>136,852</u>
CLOSING CASH CARRIED FORWARD	4	<u>39,495</u>	<u>99,666</u>

The notes on the following pages form part of the above accounts

Australasian Mutuals Institute Limited
ABN: 50 023 683 196
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting

This financial report was authorised for issue on 29th January 2010 in accordance with a resolution of the Board of Directors. The financial report is a general purpose financial report which has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS), other authoritative pronouncements of the Australian Accounting Standards Board and with the requirements of the Corporations Act. Compliance with AIFRS ensures that the Financial Report complies with International Financial Reporting Standards.

(b) Principles of aggregation

The accounts comprise an aggregation of the accounts of the National Office, Queensland, New South Wales/Australian Capital Territory, Victorian/Tasmanian, South Australian/Western Australian/Northern Territory Regional Councils.

(c) Comparative amounts

Where necessary the figures for the previous year have been re-classified to facilitate comparison.

(d) Cash and cash equivalents

Cash on hand and in credit unions and short-term deposits are stated at the lower of cost and net realisable value. For the purpose of the Statement of Cash Flows, cash comprises deposits at call held with credit unions.

(e) Receivables

Trade receivables are recognised and carried at original invoice amount less a provision for any uncollectable debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written-off as incurred.

(f) Prepayments & deferred expenses

Costs associated with the 2010 National conference are deferred and will be recognized as an expense in 2010.

(g) Plant & equipment

Plant and equipment are measured at cost. Depreciation is provided on a straight line basis on all plant and equipment. All plant and equipment is depreciated over 3 years at a rate of 33.33% per annum.

(h) Payables

Liabilities for trade creditors and other amounts are carried at cost which is fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the entity.

(i) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Subscription Revenue: Subscriptions Revenue is recognised in the year membership is provided.

Interest: Control of the right to receive the interest payment.

Conference & Exposition Revenue recognition

Fees received for the 2010 conference are treated as unearned & will be recognized as income during 2010.

(j) Employee Entitlements

Provision is made for employee entitlement benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries and annual leave. Liabilities arising in respect of wages and salaries, annual leave, and any other employee entitlements expected to be settled within twelve months of the reporting date are measured at their nominal amounts. All other employee entitlement liabilities are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date. In determining the present value of future cash outflows, the interest rates attaching to government guaranteed securities which have terms to maturity approximating the terms of the related liability are used.

(k) Income Tax

The company is exempt from income tax under Section 23(e) of the Income Tax Assessment Act (1936). Therefore, no provision for tax has been made.

Australasian Mutuals Institute Limited
ABN: 50 023 683 196
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

	Note	2009 \$	2008 \$
2. REVENUES FROM ORDINARY ACTIVITIES			
Revenues from operating activities			
National			
Subscriptions		158,884	177,725
Professional Development:			
- Financial Management		-	-
- National Conference & Exposition		578,843	656,454
- Other Courses and Conferences		193,645	264,145
Publication sales & advertising		16,763	32,105
Interest		73,397	116,326
		1,021,532	1,246,755
Divisional			
Seminar fees & Sponsorship		137,562	159,229
Total revenues from ordinary activities		1,159,094	1,405,984

Australasian Mutuals Institute Limited
ABN: 50 023 683 196
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2009

	Note	2009 \$	2008 \$
3. EXPENSES FROM ORDINARY ACTIVITIES			
National			
Meeting & Seminars		30,967	24,701
Professional Development			
- Financial Management		-	-
- National Conference & Exposition		410,144	443,161
- Other Courses and Conferences		154,353	156,495
- Course Development / Accreditation			
- Joint Venture Licenses		-	1,265
Staff costs, salaries and allowances		438,464	475,308
Printing, stationery & postage		16,636	18,723
Merger & Corporate Identity		491	3,016
Audit & Accounting fees		14,400	12,650
Taxes & Charges		2,833	2,860
Bad & Doubtful Debts		3,058	-
Insurance		9,320	9,435
Salary Survey		-	-
Publication sales & advertising		3,718	1,603
Web Site / Advertising		10,042	9,173
AGM / Election Expenses		2,982	2,617
Administration & Rent		72,658	66,473
Depreciation – Furniture & Fixtures		11,441	12,596
Depreciation – Web Site		2,655	885
Depreciation – Directors Diploma		1,250	2,250
Legal Fees		980	100
		1,186,392	1,243,311
Regional			
Meetings & Seminars		141,670	168,927
Total expenses from ordinary activities		1,328,062	1,412,238

Australasian Mutuals Institute Limited
ABN: 50 023 683 196
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2009

	Note	2009 \$	2008 \$
4. CASH AT CREDIT UNIONS			
Credit Union Australia (National)		15,665	71,694
CUSCAL (National)		9,220	15,951
SGE Credit Union (National)		56	56
Community First Credit Union (National)		6	6
Sydney Credit Union (National)		14,548	11,959
		<u>39,495</u>	<u>99,666</u>
5. INVESTMENTS			
Term Deposits			
Police & Nurses Credit Society (National)		652,922	838,493
Community First Credit Union (National)		114,295	105,828
Australian Defence Credit Union (National)		239,000	-
SGE Credit Union (National)		218,587	498,133
		<u>1,224,804</u>	<u>1,442,454</u>
6. RECEIVABLES			
Sundry Debtors		55,146	73,950
Accrued Interest		26,714	37,940
Prepayments		113,622	91,546
		<u>195,482</u>	<u>203,436</u>
7A. FIXED ASSETS AT COST			
Plant & Equipment at cost		174,670	174,670
Provision for Depreciation		(161,832)	(147,736)
		<u>12,838</u>	<u>26,934</u>
7B. INTELLECTUAL PROPERTY			
Directors Diploma at cost		9,000	9,000
Provision for Amortisation		(7,250)	(6,000)
		<u>1,750</u>	<u>3,000</u>
		<u>14,588</u>	<u>29,933</u>

Australasian Mutuals Institute Limited
ABN: 50 023 683 196
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2009

	Note	2009 \$	2008 \$
Reconciliation			
Reconciliation of the carrying amounts of fixed assets at the beginning and end of the current and previous financial year			
<i>Fixed Assets</i>			
Carrying amount at beginning of the year		29,934	29,981
Additions		-	15,682
Disposals		-	-
Depreciation expense		(15,346)	(15,731)
Carrying amount at the end of the year		<u>14,588</u>	<u>29,934</u>
8. PAYABLES			
Trade Creditors		39,108	35,010
Goods and Services Tax (Recoverable)		<u>(7,467)</u>	<u>(421)</u>
		<u>31,641</u>	<u>34,589</u>
9. RECEIPTS IN ADVANCE			
This amount represents advance payments received in relation to 2010 activities.			
Conference Registrations		-	45,500
Exposition Bookings		137,778	192,263
2010 Subscriptions		130	25,429
Directors Diploma Course		10,898	13,403
		<u>148,806</u>	<u>276,595</u>
10. PROVISIONS (Current)			
Employee Annual Leave		<u>64,806</u>	<u>62,344</u>
11. PROVISIONS (Non Current)			
Employee Long Service Leave		<u>38,773</u>	<u>42,653</u>
Superannuation Commitments			
Employees contribute to a plan of their own choice at various percentages of their salaries and wages. The entity also contributes to the plans. Contributions by the entity of up to the superannuation guarantee charge are legally enforceable in Australia.			
12. AUDITOR'S REMUNERATION			
Amounts receivable by Auditors			
Audit Fee: BDO		14,400	14,000
Other services in relation to the entity		-	-
		<u>14,400</u>	<u>14,000</u>

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13. MEMBERS' GUARANTEES

Pursuant to the Memorandum of the Company, every member has undertaken in the event of a deficiency on winding up, to contribute an amount not exceeding \$2. At 31st December, 2009 the total of these guarantees was \$3,018 from 1509 members (2008: \$3,236 from 1618 members).

14. CONTINGENT LIABILITIES

The company has no contingent liabilities as at 31st December, 2009.

15. DIRECTORS' & OTHER KEY MANAGEMENT PERSONNEL REMUNERATION

Directors during the year: Ashley JENNINGS, Graham OLRICH, Greg CONNOR, Steve SAMPSON, Scott KING, Ken CAMPBELL, Greg WRIGHT, Danny CLOGHAN, Mal GRAHAM, Warwick SMITH, Elsbeth TORELLI.

The Chief Executive is also included within Key Management Personnel

	2009	2008
	\$	\$
Income paid or payable, or otherwise made available in respect of the financial year, to all Key Management Personnel of the Australasian Mutuals Institute Limited, directly or indirectly, from the entity or any related party:		
KEY MANAGEMENT PERSONNEL		
Short – Term Employees Benefits	144,495	144,495
Post – Employment Benefits	13,005	13,005
	157,500	157,500

16. CAPITAL RESERVE

Nature and Purpose of Reserve

The capital reserve contains accumulated funds upon incorporation that have been set aside by directors for the purpose of funding specific projects from time to time.

Balance at end of year	219,157	219,157
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17. RECONCILIATION OF OPERATING PROFIT AFTER TAX TO NET CASH FLOWS FROM OPERATIONS

Profit (Loss) from ordinary activities after tax	(168,968)	(6,254)
Non-Cash Items		
Depreciation and Amortisation	15,346	15,731
Bad debts written off	3,058	-
Changes in Assets and Liabilities		
Decrease/(Increase) in Prepayments	(22,076)	1,171
Decrease/(Increase) in Accrued Interest	11,226	(1,290)
(Decrease)/Increase in Accrued Expenses	(2,946)	(35,848)
Increase in Leave Provisions	(1,418)	18,723
(Decrease)/Increase in Advance Income	(127,789)	20,676
Decrease/(Increase) in Sundry Debtors	15,746	(29,597)
CASH FLOW FROM OPERATIONS	(277,821)	(16,688)

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18. FINANCIAL INSTRUMENTS

(a) Terms, Conditions and Accounting Policies

The terms and conditions of each class of financial instrument recognised and unrecognised are noted below.

Financial Instrument	Balance Sheet Note	Accounting Policies	Terms and Conditions
<i>Financial Assets</i>			
Cash and Short Term Deposits	5	Short term deposits are stated at the lower of cost and net realisable value. Interest is recognised in the Income Statement when earned.	Cash and Short Term Deposits have interest rates ranging from 3.75% to 4.75%
Receivables - Sundry Debtors	6	Sundry debtors are carried at nominal amounts due, less any provision for doubtful debts. A provision for doubtful debts is recognised when collection of the full nominal amount is no longer probable.	Sundry debtors are usually settled on 30 day terms.
<i>Financial Liabilities</i>			
Payables	8	Liabilities are recognized for amounts to be paid in the future for goods and services received, whether or not billed to the company.	Liabilities are usually settled on 30 day terms

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(b) Interest Rate Risk

The company's exposure to interest rate risks and the effective interest rates of financial assets and liabilities, both recognised and unrecognised at the balance date, are as follows:

Financial Instrument	Floating Interest Rate		Fixed Interest Rate Maturing In:						Total Carrying Amount as Per the Statement of Financial Position			
			1 year or less		Over 1 to 5 years		More than 5 years				Non Interest Bearing	
			2009	2008	2009	2008	2009	2008			2009	2008
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Financial Assets												
Cash	39,495	99,666			-	-	-	-	-	-	39,495	99,666
Term Deposits			1,224,804	1,442,454							1,224,804	1,442,454
Receivables - Sundry Debtors	-	-	-	-	-	-	-	-	55,146	73,950	55,146	73,950
Total Financial Assets	39,495	99,666	1,224,804	1,442,454	-	-	-	-	55,146	73,950	1,319,445	1,616,070
Financial Liabilities												
Trade Creditors	-	-	-	-	-	-	-	-	39,108	35,010	39,108	35,010
Total Financial Liabilities	-	-	-	-	-	-	-	-	39,108	35,010	39,108	35,010

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(c) Net Fair Values

All financial assets & liabilities have been recognised at the balance date on the basis of the amortised cost of the financial instrument. These values approximate their net fair value

(d) Credit Risk Exposures

The entity's maximum exposure to credit risk at balance date in relation to each class of financial asset is the carrying amount of those assets shown as Investment Deposits in Note 5 and Receivables and Accrued Interest in Note 6. Credit Risk is regarded by the directors as minimal as virtually all of these amounts are owed by Credit Unions regulated under the Banking Act.

FINANCIAL RISK MANAGEMENT AND OBJECTIVES

The company's aim is to keep financial risks to an absolute minimum.

Liquidity risk is controlled by always maintaining sufficient cash to cover all known or expected payments required to be made over a 2 month period. Investments in term deposits are structured so that maturities are spread regularly throughout the year. Funds are thus always available for redemption to cash at relatively short notice.

The company's capital consists of its Retained Earnings. The company will continue to maintain a strong capital base to cover the risk of unforeseen financial losses and to enable capital investment into the development of new capability to provide products and services to members. The company intends to maintain its capital at a level significantly greater than its level of liabilities.

It is not the intention of the company to generate significant profits. Operations are intended to be run on a break-even basis in order to return benefits to members.

19. SEGMENT INFORMATION

The company operates in Australia in one industry – the provision of training and professional development services to Credit Union management.

20. FUTURE LEASE COMMITMENTS

	2009	2008
	\$	\$
Lease expense commitments for operating leases on property occupied by the company		
Not later than one year	7,693	46,009
Later than one year but not later than five years	-	7,693
Over five years	7,693	53,702

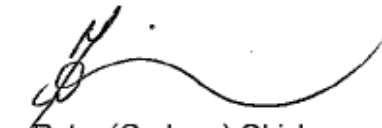
ABN: 50 023 683 196
DIRECTORS' DECLARATION

In accordance with a resolution of the directors of the Australasian Mutuals Institute Limited, we state that:

In the opinion of the directors:

- (a) the financial statements and notes of the company are in accordance with the Corporations Act 2001, including;
 - (i) giving a true and fair view of the company's financial position as at 31 December 2009 and of its performance for the year ended on that date; and
 - (ii) complying with Accounting Standards and Corporations Regulations 2001; and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



Peter (Graham) Olrich
Chairman

29th January 2010



Scott R. King
Director

2009 Annual General Meeting Minutes

MINUTES OF THE ANNUAL GENERAL MEETING OF THE AUSTRALASIAN MUTUALS INSTITUTE LIMITED HELD IN THE ROYAL THEATRE, NATIONAL CONVENTION CENTRE, CANBERRA ON 15 March, 2009.

Opening

The meeting was opened at 5pm by Deputy Chairman, Ken Campbell.

Welcome

The Deputy Chairman welcomed all AMInstitute Members & Observers to the Annual General Meeting and introduced the Chairman, Graham Olrich (with laryngitis), Mark Kotorac, AMInstitute CEO and the remaining members of the board.

Apologies

Apologies were accepted for Lloyd Hawkins and Neville Parsons.

1. Confirmation of Minutes of the Previous Annual General Meeting

Moved, Greg Connor - Seconded, Ashley Jennings
That the Minutes of the 18th Annual General Meeting of the Australasian Mutuals Institute held on 16th March 2008 as circulated be adopted.
CARRIED

2. Business Arising

There was no Business Arising.

3. Director's Reports

Moved, Ashley Jennings - Seconded, Greg Connor
That the Director's Report and Financial Statements for the year ended 31st December 2008 be received and adopted.
CARRIED

4. Auditor's Report

Moved, Steve Sampson - Seconded, Warwick Smith
That the Audit Report as presented be received and noted.
CARRIED

5. Appointment of Auditor

Moved, Ashley Jennings - Seconded, Greg Wright
That BDO Kendalls resigns as Auditors of the Australasian Mutuals Institute Ltd and BDO Kendalls Audit & Insurance Pty Ltd NSW/VIC be appointed Auditors of the Australasian Mutuals Institute Ltd for the 12 months ending 31st December 2009 with the fee to be determined by the Board of Directors.
CARRIED

6. Declaration of Results – Election of Four (4) Directors to the Australasian Mutuals Institute Board

Nominations were called for the positions of 1x Mutual Non Executive Director (NSW/ACT), 1x Mutual Executive Manager (QLD/NZ) and 1 x Mutual non executive Director (QLD/TAS), 1 x Mutual Non Executive Director (SA/NT/WA). The Chairman called on the AMInstitute Returning Officer, John Lee, to announce the results.

Danny Cloghan MEMD (SA/NT/WA), Greg Wright MEMD (NSW/ACT), Graham Olrich MEMD (QLD/NZ) and Ken Campbell MEMD (QLD/NZ) retire from the board but being eligible offer themselves for re-election.

At the close of nominations on Friday the 9TH January 2009 the following 5 nominations were received.

Danny Cloghan MEMD (SA/NT/WA), Greg Wright & Colin Lenton MEMD (NSW/ACT), Graham Olrich MEM (QLD/NZ) and Ken Campbell MEMD (QLD/NZ) two nominations were received for this vacancy position. no other nominations were received for this position.

Gary Oliver MNED (Vic/Tas) and Warwick Smith both nominations for the Victorian/Tasmanian region. As there were 2 nominations for the position of MEMD (NSW/ACT), ballot papers were sent to all members eligible to vote. The election was conducted in accordance with Australasian Mutuals Institute Constitution. The closing time for the ballot was noon Friday 6th March 2009 and the results of the election were as follows:

Total votes received were 150, invalid or informal 2.

Colin Lenton 54, Greg Wright 95.

Greg Wright won the position of Director of the Australasian Mutuals Institute Non Executive Manager (NSW/ACT)

The number of candidates for Position of MEMD (SA/NT/WA), MEM (QLD) & MEMD (QLD) were equal to the number of positions to be filled so a ballot was not conducted.

Moved, Ashley Jennings - Seconded, Scott King

That **Greg Wright** be appointed as a Director of the Australasian Mutuals Institute for a period of 3 years commencing from the conclusion of the AGM on 15 March 2009.

CARRIED

Moved, Scott King, - Seconded, Ashley Jennings

That **Graham Olrich** be appointed as a Director of the Australasian Mutuals Institute for a period of 3 years commencing from the conclusion of the AGM on 15 March 2009.

CARRIED

Moved, Greg Wright, - Seconded, Malcom Graham

That **Ken Campbell** be appointed as a Director of the Australasian Mutuals Institute for a period of 3 years commencing from the conclusion of the AGM on 15 March 2009.

CARRIED

Moved, Warwick Smith, - Seconded, Mal Graham

That **Danny Cloghan** be appointed as a Director of the Australasian Mutuals Institute for a period of 3 years commencing from the conclusion of the AGM on 15 March 2009.

CARRIED

8. Special Resolutions

Chairman's Declaration

63 Members present. This number represents the required Quorum.

As at the closing time for lodgement, the number of Proxies held were as follows:

35 Appoints Chairman to vote IN FAVOUR of the resolutions

6 Appoints Chairman to vote on their behalf as he sees fit

1 Appoint Geoffrey Russel to vote on their behalf as he sees fit

1 Appoint Colin Lenton to vote on their behalf as he sees fit

1 Appoint Ashley Jennings to vote on their behalf as he sees fit

Australasian Mutuals Institute returning officer, Mr John Lee acted as scrutineer for the ballot.

In accordance with the Australasian Mutuals Institute constitution, today's ballot will be by a show of hands of those present at this meeting. **Indicate your intention with one of the two coloured papers you were given at registration.** A **Green** paper for voting in favour of a resolution and **Red** paper if voting against. Each paper is marked accordingly, either "in favour" or "against".

Explanation

Proposal to amend the objects of Australasian Mutuals Institute.

With the on-going consolidation of the industry and other changes in the mutual ADI sector, the Australasian Mutuals Institute Board of Directors has taken the opportunity to evaluate the existing objects of the Institute, as defined in the constitution of the organisation. Since its formation in January 2006, through the merger of the Australasian Institute of Credit Union Directors (AICUD) and the Australian Institute of Credit Union Managers (AICUM), the primary focus of the Institute has been on the development of skills, knowledge and professionalism of directors and managers of mutual ADIs, through the facilitation and delivery of education and professional development programs (including courses, seminars and conferences), along with numerous networking events.

The Board and Management of the Institute have recognised that, although the education and professional development of directors and managers of mutual ADIs has been the principal focus of the organisation over the last few years, AMInstitute needs to broaden this focus to include all employees within the mutuals sectors. Such an initiative provides both the opportunity and commitment to play an

active role in the professional development, mentoring and retention of the industry leaders of tomorrow.

Whilst membership of the Institute and participation in its numerous National and Regional-based events has been open to all employees of a mutual ADI, this has not been clearly defined within the existing objects of the Institute. In 2008, a change was proposed and passed that aimed to clarify the eligibility criteria for those intending to join as "Associates" of the Institute.

However, to reinforce this change, the Board has now proposed a Special Resolution to amend three of the existing seven objects (Clauses 3.1.1, 3.1.3 and 3.1.7) with new objects that are more appropriate and better aligned with the revised Vision and Focus of the Institute.

The Board of the Australasian Mutuals Institute unanimously supports and recommends your approval of these resolutions.

Special Resolution No 1 – Constitutional Amendments

Moved Ashley Jennings, Seconder Danny Cloghan
That the constitution of the company be amended as follows:

A Delete Clause 3.1.1. and replace with the following:

3.1.1 promote excellence, professionalism and integrity in the directors, managers and staff of all Mutuals: to improve their knowledge and skills with respect to their rights, duties and responsibilities; and, to promote a high standard of ethics amongst such directors, managers and staff.

AND

B Delete Clause 3.1.3 and replacing with the following:

3.1.3 facilitate the education and professional development of Mutual directors, managers and staff at national and regional level; and provide these services cost-effectively to members.

AND

C. Delete Clause 3.1.7 and replacing with the following:

3.1.7 ensure that directors, managers and staff keep up-to-date with relevant legislative, economic and social matters which affect their roles and responsibilities as credit union and mutual building society directors, managers and /or staff..

Moved, Warwick Smith, - Seconded, Danny Cloghan
CARRIED

8. General Business

No General Business

Meeting Closed at 5.25pm.