

Australian Institute of International Affairs Victoria

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ABN : 42 727 001 279



ANNUAL REPORT 2007/2008

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COMMITTEES

Finance
Membership
Program
Consular and Diplomatic Links

Academic Links, Research & Publications
VCE Schools Program
Volunteers & Interns

ACCESS

Fundraising
Study Tour
Institutional
House

Garden
DFAT Links

Building
Library

Publicity
International Careers Conference
Website / IT

Chair: Greg Romanes
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Chair: Graham Barrett
Chair: Margaret Papst and
Carlos De Lemos

Chair: John McKay
Chair: Judy Rothacker
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Chair: Annette Nicol

The Australian Institute of International Affairs (AIIA) is an independent organisation which promotes the objective study of International affairs. It has no political biases and hears all views. Established as a federal organisation in 1933, the Institute has its national headquarters at Stephen House in Canberra, and branches in all states and territories. Like its sister Institutes in New Zealand, Canada, South Africa and India, it is affiliated with the Royal Institute of International Affairs, Chatham House, London.

The AIIA provides a forum for discussion and research on subjects of topical and continuing interest through meetings, conferences and seminars addressed by distinguished specialists and public figures. Over the years these meetings have contributed much to informing public opinion on international affairs and have assisted the development of the Australian Diplomatic Service and the study of international issues in Australia.

Founded in 1925, the AIIA Victoria has included many notable authorities on international affairs, amongst them being Sir John Latham, Sir Owen Dixon, Sir Ian Clunies Ross, E.C. Dyason and Professors Norman Harper and Macmahon Ball.

The AIIA is housed in Dyason House, named after E.C. Dyason, a prominent past member and one of its most generous benefactors.

Membership is open to any individuals who are Australian residents, to corporate bodies, to diplomatic representatives, schools and students.

PRESIDENT'S REPORT

A Growing and Dynamic Institute

The year up to June 30th 2008 was another very successful one for the AIIA Victoria, building on the hard work that has been put in over the last few years. In summary, the most important highlights of the year were:

- A lively and innovative program of some 68 events over the year.
- A consolidation of our financial position, with continued growth of revenue.
- An expanding membership, which by the end of the year stood at 737 financial members.
- The organisation of a third International Careers Conference, with large attendance of students from all universities in Victoria.
- A continued series of special lectures for Year 12 students in International Politics, including an end-of-year revision session.
- More progress in our continued efforts to upgrade Dyason House.
- Organisation of a study tour to India in late 2007.
- Collaboration with the AIIA National Office in the organisation of a number of events.



A Full and Varied Program

Our program continued to expand its horizons and develop new and wider streams of contact with the community. Building on the success of the first Sir Zelman Cowen Oration, in honour of our long-serving Senior Patron, the

second event was addressed by former Australian Foreign Minister and now Director of the International Crisis Group Gareth Evans on the subject of "Ending Deadly Conflict – Dream or Delusion". This gala dinner is now established as the Institute's premier event of the year.

The lunch series in Collins Street, entitled "Global Business Prospects" in which we survey opportunities and challenges for Australia in a globalising and increasingly turbulent world, continued this year. Speakers included John Olsen, the Australian Consul General in New York, who discussed our alliance with the US, and James Jupp, the doyen of migration experts in this country, who explored the implications of current patterns of people movements.

We have also continued our popular monthly series with Readings

Bookshop to showcase and launch new and important volumes relating to foreign affairs. This year authors discussing their new works included Damien Kinsbury, Pamela Bone, Marilyn Lake and Henry Reynolds. This is also a useful way of introducing a completely new and large audience to the work of the Institute – the Readings newsletter advertising these events is posted to some 15,000 people - and a number of new members have been recruited as a result. We have also continued to hold book launches at Dyason House and these have included addresses by Waleed Ally, who introduced his new book on how arrogance is dividing Islam and the West, and Cameron Forbes, who talked about his new history of Bali.

Our traditional programme stream at Dyason House continued to straddle the globe with many fine speakers and the widest possible range of topics. We marked the change of government in Australia in late 2007 with a talk by Daniel Flitton, the Diplomatic Editor of *The Age* on possible new directions in our foreign policy. In a similar vein Neil James of the Australian Defence Association looked to priorities in Australia's strategic planning. Asia continued to feature, with continuing series on Indonesia and China, plus a number of talks on the emergence of India as a major power in the region. Other speakers focussed on Burma, Pakistan, Malaysia and East Timor. We also looked at some more general issues affecting our region including the rise of Asia as a global force and the new threat of hunger. As always the Middle East featured prominently in our programme, with talks on Israel's security, Iran's nuclear development initiatives and more general issues of Middle East politics. Africa, so often forgotten in world affairs it seems, also featured in our events. Most notable here was a visit by Morgan Tsvangirai, the leader of the Movement for Democratic Change in Zimbabwe, but there were also events dealing with the Sudan and more general problems confronting the continent. We hosted visits by a number of very prominent US commentators during the year: notable here were Walter Russell Mead of the Council on Foreign Relations, Robert Galucci from Georgetown University and Michael Ledeen from the American Enterprise Institute. We also hosted events that began to explore some of the issues that have become much

more topical in the last few months. In the lead up to the US elections Michael Gawenda discussed the state of George Bush's America, while Dennis Altman looked at the earlier stages of the fight for the White House. We also picked up the early signs of the global financial turmoil with a talk by Graham Harman on the increasing market volatility.

To complement our speaking programme we continued our series of ambassadorial lunches or evening events hosted at Dyason House, with guests including the representatives of Saudi Arabia and Hong Kong and our envoys to Jordan and New York.

The organisation of such a large and varied program of events involves an enormous amount of work and our thanks go to Graham Barrett and the rest of the Program Committee.

A full list of events organised during the year is attached to this report.

Continued Growth in Membership

Once again our numbers are encouraging. As at 30 June 2008 we had 737 financial members, compared with 579 in 2007, 447 in 2006 and only 353 in 2005. This growth has been truly remarkable, making Victoria easily the largest branch in Australia. This is the result of a sustained effort by the entire organisation, and of course also reflects the attractions of membership of such an active organisation. It was also encouraging to note the continued expansion of our student membership.

Continued Financial Consolidation

The Institute has for a second year recorded an operating surplus in excess of \$58,225. This pleasing result is of course due entirely to the efforts of our staff, members and volunteers who have conducted the various activities over the year. Greatly helping our bottom line were the successful study tours, our VCE program, financial support from the Walter Mangold Trust and other donors, and our regular Branch functions.

As well as recording a surplus we have been able to undertake some essential capital works, including painting and new carpet for Dyason House and an extensive upgrade of our IT systems. During the year we were

faced with the loss of our tenant, Inside Public Relations, but were able to secure a new tenant with minimal financial loss.

In light of recent instability in financial markets the Treasurer is able to report that the Institute's net assets stand at \$1,282,505- represented mainly by Government guaranteed bank deposits and the land and buildings at 124-126 Jolimont Road. The Institute has no holdings of equities in other corporations or exposure to financial instruments other than normal business insurance (Work Cover, Building and Contents etc).

The full audited accounts are attached to this report. Our thanks go to our Treasurer Greg Romanes for all his hard work during the year.

ACCESS: AIIA Victoria's Program for Younger Members

ACCESS has increased its membership during the year and worked hard to increase awareness of the AIIAV in the student, young professional and academic communities. During the year ACCESS organised four events of its own: these included a question and answer session with Daniel Flitton, the Diplomatic Editor of *The Age*, and a roundtable on HIV-AIDS. This roundtable involved four distinguished speakers - Simon Duffy, Bruce Parnell, Jeffrey Grierson and Rob Moody, and attracted an audience of more than 60. But another result of the increased involvement of your people in the AIIA Victoria is that more and more younger members are now coming to our ordinary events as well.

ACCESS was once again involved with International Careers Conference. Several members were part of the organising committee while others were involved in a very successful direct marketing campaign to university students and staff.

These are all very pleasing activities, and ones that are vital for ensuring the future of the Institute and sincere thanks are due to Markus Gorondi and the rest of the ACCESS committee.

Relations with Consular Corps

One important aim has been to build a strong profile of the AIIA within the consular corps, to become an integral aspect of their working lives and to actively involve them as members in the Institute. We have succeeded in

developing an interested, committed core group and have continually tried to expand its numbers. We have invited particular consuls/consulates to functions which are applicable to the countries they represent. We, in turn, have been invited to many consular functions. We are part of their 'scene'. As was noted above, our program of events has included a number of representatives from various countries as well as some Australian heads of mission overseas.

Our thanks go to Margaret Papst for her continued hard work with the consular corps, and we also thank Carlos de Lemos for all of his advice and assistance.

Improving Dyason House

The building committee has again had a busy year as we have continued to upgrade the facilities at Dyason House. The office has been completely renovated to provide better working conditions for our Executive Officer and volunteers. New office furniture has also been purchased. The renovations to the entrance and the downstairs area, and recarpeting of all areas except the Russel Madigan Room, have all been completed. Plans are now underway to renovate both of the bathrooms.

Thanks to the building committee, and in particular Zara Kimpton and Greg Romanes, for all their hard work. The Institute is also particularly grateful to those members who responded most generously to our appeal specifically for building improvements.

International Careers Conference 2007

The Conference this year was held on Friday 24th August 2007 in the Olympic Room at the MCG. This was the largest careers conference held by the Institute in Victoria to date both in terms of the program structure and numbers of student attendees. As in previous years the event attracted very high profile experts from a wide range of industry sectors. The conference was planned and implemented by a committee of volunteer AIIA members led by Trish Ritman. The majority of detailed preparation and organization was undertaken by a project manager, Craig Hodges, whose expenses were funded by a grant from the Walter Mangold Trust Fund.

Speakers included representatives of a wide range of government bodies, notably the Department of Foreign Affairs & Trade, the Australian Federal Police, the Australian Secret Intelligence Service, AusTrade, AusAid and Invest Victoria. International organisations were represented by the World Bank and the United Nations. Speakers from the NGO community included representatives of Oxfam, CARE Australia, Australian Volunteers International, Burnet Institute, IDSS and the Australian Red Cross. The private sector was represented by BHP Billiton, Corrs Chambers Westgarth and ITS Global.

The conference was a significant step forward from 2006 in terms of the scale and the complexity of the event. Taking advantage of available function room space at the MCG, the Committee was able to run three parallel breakout sessions after each plenary session in the morning and afternoon. Themed breakout sessions enabled students to hear speakers from a range of professional backgrounds and also added an extra element of coherence to the conference program. The greater level of access to guest speakers in small group settings proved attractive to students.

There was much interest in the Conference among university students. A total of 346 tickets were sold with 100 participants purchasing new AIIAV memberships. While the majority of attendees were from Victorian universities, the conference drew interest from the Australian National University, the University of South Australia and Murdoch University in Western Australia. In addition, 8 VCE students and 38 non-students attended the event. Feedback was received from many sources and was very positive.

The AIIA is very grateful for the sponsorship that it received for this event from BHP Billiton, The Walter Mangold Trust Fund, ASIS, RMIT University, Deakin University, Roy Morgan Research and DFAT. Thanks must also be given to the many people who worked so hard to make this event such a success, and in particular Trish Ritman and Craig Hodges.

During the year major efforts also went into the planning of the next in this series of very important events.

Relations with Universities

University students and academic staff are a key constituency of the Institute and strenuous efforts are being made to increase the awareness and profile of the AIIA and attract new members. Representatives have been appointed for many of the major universities and membership brochures and details of future events have been distributed. The International Careers Conference has of course provided a major focus for our links with universities.

Schools Program

A key part of the Institute's activities is the support for teachers and students involved in the Year 12 Program in International Politics. As in previous years four lectures have been organised during the year, covering the four major themes in the syllabus: globalisation and internationalism, global conflicts, power in the Asia Pacific region, and Australian foreign policy. These events were extremely well supported, and the Institute is again grateful to the ABC for allowing us to use the Iwaki Auditorium at Southbank free of charge for these events. An end of year revision lecture was also organised and again proved to be very popular. This program has been ably managed by Judy Rothacker, chair of our schools committee.

To provide more reference materials for Year 12 teachers around Victoria a CD-ROM of relevant articles from recent issues of the *Australian Journal of International Affairs* was produced and proved to be very popular with both students and teachers. We are grateful to the publishers of the journal for allowing us to undertake this support program, and for other assistance from the National Office of the AIIA.

Website

The year much work went into the planning of a new online presence with significant changes. AIIAV is in the process of moving to the new national site www.aiia.asn.au allowing us to take the membership system online and provide a better, more efficient service to our members whilst also cutting down administrative tasks considerably.

Members will have the ability to log into the new website and change their contact details at their leisure. Members will be

privy to 'member access only' benefits, the details of which are in negotiation with the national office but may include access to past journals and podcasts of events. Although not in full operation yet, it is hoped that in the near future members will be able to make online payments towards membership renewal and events saving them the bother of posting in cheques or credit card details. Later in 2008-2009 it is hoped that more features will become available online such as photo galleries, surveys, and audio recordings of seminars.

House Report

The increased membership of the AIIA has resulted in higher attendances at events this year. Food and drinks arrangements were managed by Annette Webb with the enthusiastic help of our volunteers. Marcus Gorondi has been our most hard working volunteer performing most of the hospitality duties at our functions.

Study Tour Program

In November 2007 a very successful two week study tour was organised to India involving visits to New Delhi, Bangalore, Mysore, the Cochin/Alleppey area, and the Chennai area. The group of 20 people visited a varied selection of Indian associations and organisations and in Bangalore focussed on the growth of the IT industry in all its aspects. Such tours involve a great deal of work and we are again grateful to the tour leaders, Michael Coultas OAM (a former President of AIIA Victoria) and Judy Coultas, for all the work they have done in this regard. We also appreciate the assistance received from the Department of Foreign Affairs and Trade.

During the year a great deal of effort was also put into the planning to the next study tour to Russia in 2008, led by former Australian Ambassador to Russia and current council member Les Rowe.

Collaboration with National Office

Over the last few years the AIIA National Office has been considerably strengthened, and once again we have been happy to work with them on a number of joint events. In September 2007 a symposium on religion in Australian Foreign Policy was organised by the National Office and held at Dyason House. During the year we also collaborated on planning for the National Conference celebrating 75 years of the AIIA as a national organisation.

Staffing

The continual increase in AIIA activities is putting much greater pressures on our staff resources. Annette Nicol did a wonderful job in managing a multitude of tasks, and enormous thanks to her. The Executive is very much aware that to move to the next stage of our development extra staff resources will be needed to assist the Executive Officer, and various alternatives are being explored. During the year, thanks to a grant from the Walter Mangold trust we managed to achieve a major upgrade our office computer system, and this made the task of the Executive Officer much easier.

Donors and Sponsors

The AIIA Victoria is very grateful for all the sponsorship, donations and other financial support it has received during the year. A full list of donors and sponsors is attached to this report.

John McKay
PRESIDENT

MEMBERSHIP

Category	Rate (\$)	30/06/2005	30/06/2006	30/06/2007	30/06/2008
Standard (Formally Ordinary and Individual Consular)	121	130	148	171	211
Concession (Formally Retired & Country)	77	101	109	111	131
Institutional (Formally Corporate, Consulate and Institutional)	330	8	14	22	19
Spouse	55	24	28	27	33
School	121	37	35	44	46
Student	44	21	86	200	247
Speakers		-	11	14	22
Honorary		24	4	4	4
Free List		8	8	3	-
Total		353	447	604	713

Listed below are the names of all those who kindly made a donation to and sponsored AIIA Victoria during the year. The Institute would like to thank all of these people and institutions for this invaluable assistance in its ongoing efforts to upgrade its activities and to improve the facilities at Dyason House.

DONATIONS

Peter Edwards

Elizabeth Richards

Toni Fedderson

Paul Joukadjian

Susan Bienkowski

Jenny Happell

Richard Morgan

Greg Romanes

Ethel White

Gerald Riley

Roger Brookes

James Kimpton

Ruth Birrell

Margaret Kelleher

Beryl Hooley

Markus Gorondi

William Fenner

Lorna Teller

John Lester

Anne Burrows

Annette Web

Howard and Sandra Brown

Robert Callant

Jennifer Happell

Jane Blaxland

Susan Bienkowski

Richard Green

Julienne Clowes

Justice David Harper

Elizabeth Grant

Elizabeth Richards

Carolyn Rance

Andrew Farran

Toni Fedderson

Paul Joukadjian

SPONSERS

BHP Billiton

DFAT

Rio Tinto

RMIT

Roy Morgan Research

Walter Mangold Trust

AIIA PAST FUNCTIONS

1st July 2007 – 30th June 2008

DATE	Speakers & Conference	Topic
3rd July, 2007	Mr Walter Russell Mead, Council on Foreign Relations – New York	“War and Peace in the Middle East”
4th July, 2007	Dr Oliver Mendelsohn, La Trobe University	Latest in a series on the rise of a new Asian power: “Rich and Poor in India”
9th July, 2007	Dr Robert L Gallucci, Dean - Edmund A Walsh School of Foreign Service, Georgetown University	“The Evolving Threat of Nuclear Arms”
9th July, 2007	Book Talk with Readings and AIIAV Prof. Bruce Jacobs, Monash University	“China Fragile Superpower” by Susan L. Shirk
11th July, 2007	Mr Tom Murphy, International Investment Analyst	Global business prospects series: “The US, China and Australia – A Perspective on the World of Finance”
18th July, 2007	Prof. Greg Barton, Monash University	“Where Islam is Taking Indonesia”
24th July, 2007	Dr Natalie Doyle, Monash University	“The New France of France”
26th July, 2007	Professor Bruce Jacobs, Monash University Ms Anna-Louise Simpson, Haileybury College Ass. Prof. Nick Bisley, La Trobe University	VCE Seminar 3 “Power and National Interest”
1st August, 2007	Mr Cameron Forbes	“The Blood and Beauty of Bali – a fascinating story of paradise”
8th August, 2007	Professor Barry Rubin	“The Future of the Middle East”
13th August 2007	Book Talk with Readings and AIIAV Dr Damien Kingsbury, Deakin University and Jon Faine	“Political Development” By Dr Damien Kingsbury
14th August 2007	Ms Jenny Wallis, Director – Hong Kong Economic Trade Office	“Hong Kong 10 Years On”
22nd August 2007	The Hon. Gareth Evans AO QC, Director of the International Crisis Group and former Australian Foreign Minister	2nd Annual Sir Zelman Cowen Oration “Ending Deadly Conflict – Dream or Delusion?”
24th August 2007	International Careers Conference	
27th August 2007	Mr Morgan Tsvangirai, President – Movement for Democratic Change (Zimbabwe)	“The Horrors of Zimbabwe”
28th August 2007	Mr Michael Gawenda, The Age	Inside Bush’s America: a foreign correspondent’s personal and political journey
5th September 2007	HE Mr Trevor Peacock, Ambassador to Jordan	“Our man in Amman – a view of a troubled region”

7th September 2007	Mr Ron Anderson Mr David Hundt, Deakin University	VCE Lecture 4 "Foreign Policy"
11th September 2007	Book Talk with Readings and AIIAV Ms Pamela Bone	"Bad Hair Days" by Pamela Bone
12th September 2007	Mr Graham Harman, Citigroup	"Inside the World Economy: making sense of market volatility"
19th September 2007	Dr Nadeem Malik, University of Melbourne	"Pakistan in Crisis --- where to next?"
20th September 2007	Ms Kirsten Bondietti, Ms Lisa Marty, Ms Fariat Mahmud, Mr David Murphy – ITS Global	ACCESS Event: "ITS Global: Trade and Economic Policy Consulting – Free Trade Agreements in the Asia-Pacific"
24th September 2007		ACCESS Event: American Consulate Visit
26th September 2007	Mr Neil James, Executive Director – Australian Defence Association	"Making Australia Safe --- our strategic interests in an election year"
27th September 2007	The Hon. Greg Hunt MP, Secretary of Foreign Affairs Senator Lyn Allison, Leader of the Australian Democrats Paul O'Callaghan, Executive Director, Australian Council for International Development	"Panel Discussion: Religion in Australia's Foreign Policy"
3rd October 2007	Dr Morris Jones, Spaceflight Analyst and Writer	"Sputnik at 50 --- the geopolitics of space"
10th October 2007	Dr Rosemary Hollis, Director of Research – Chatham House, London	"After the neo-cons: Realpolitik in the Middle East"
13th October 2007	Dr David Wright Neville, Monash University Ms Anna Louise Simpson, Haileybury College Mr Ron Anderson Mr Andrew Masterson , Caulfield Grammar School	"VCE End of Year Revision Lecture"
17th October 2007	Dr Barbara Keys, University of Melbourne	"The Global Power of the Olympics --- putting the Beijing games into perspective"
24th October 2007	Dr Martin Sevier, Associate Professor – University of Melbourne	"Risks and Benefits of Nuclear Power"
31st October 2007	Ms Jayne Dullard, former Editor of the 'Myanmar Times'	"Saving Burma from the Generals"
12th November 2007	Book Talk with Readings and AIIAV Ass. Prof. Neville Norman, University of Melbourne	"The Age of Turbulence: Adventures in a New World" by Alan Greenspan

13th November 2007	Dr Dennis Woodward, Monash University	China Forum: "China's Rise as a Military Power"
19th November 2007	HE Mr Hassan Talat Nazer, Ambassador of Saudi Arabia	"The Saudi Perspective on the Middle East"
20th November 2007	Annual General Meeting	
20th November 2007	Mr Greg Thompson, CEO - AngliCORD	"Prospects for the People of Sudan"
27th November 2007	The Hon. John Olsen AO, Consul General in New York	"Our US Alliance and Beyond"
29th November 2007	Dr Michael Ledeen, American Enterprise Institute – Washington DC	"The Iranian Time Bomb"
14th December 2007	2007 AIIAV Christmas Lunch	
31st January 2008	India Study Tour Report Night	"India Revisited"
6th February 2008	Dr James Jupp AM	Global Business Prospects Series: "Making the Most of Migration"
7th February 2008	Mr Daniel Flitton, Diplomatic Editor of 'The Age'	"Australia's Foreign Policy Under a New Government"
13th February 2008	Mr Waleed Aly, Monash University	"How Arrogance is Dividing Islam and the West"
21st February 2008	Professor Leslie Holmes, University of Melbourne	"Russia Beyond Putin"
27th February 2008	Professor Russell Smyth, Monash University	"China's Huge Socio-economic Challenges"
4th March, 2008	Ms Jaime Serpanchy	ACCESS Event: "Constitutional Reform in Nepal, Monarchy and Socialism"
5th March 2008	Mr Richard Woolcott AC	"Undiplomatic Activities"
11th March 2008	Mr Peter Browne, Editor of Australian Policy Online	"Inside Africa Today"
17th March 2008	Professor Dennis Altman, La Trobe University	"Fighting for the White House"
20th March 2008	A Panel Discussion: Mr Simon Duffy, World Vision Australia Mr Bruce Parnell, Burton Institute Mr Jeffrey Grierson, La Trobe University Mr Stephen McNally, La Trobe University Prof. Rob Moody, Melbourne University	ACCESS Event: "HIV/AIDS – The Political Dimensions of a Lethal Epidemic"

27th March 2008	A Panel Discussion: Dr Richard Tanter, RMIT Dr Damien Grenfell, RMIT	“East Timor in Crisis”
7th April 2008	Book Talk with Readings and AIIAV Marilyn Lake and Henry Reynolds	“Drawing the Global Colour Line: White Men’s Countries and the International of Racial Equality” by Marilyn Lake and Henry Reynolds
9th April 2008	Dr Christopher Snedden, Deakin University	“Whither Pakistan?”
10th April 2008	Mr Peter Wilson, CEO and National President of the Australian Human Resources Institute (AHRI)	Global Business Prospects Series: “Managing a Global Workforce from Australia”
16th April 2008		ACCESS Event: UK Consulate Visit
16th April 2008	A Panel Discussion: Greg Thompson, CEO – AnglicORD David Jamali, World Vision	“What Next For Zimbabwe?”
24th April 2008	Dr Abdul Rahim Ghouse	“Post Election Challenges for Malaysia”
30th April 2008	Associate Professor Damien Kingsbury, Deakin University	“Suharto: Saviour or Sinner?”
8th May 2008	Professor Robyn Eckersley, University of Melbourne	“Climate Change – Moving the Debate Forward”
12th May 2008	Book Talk with Readings and AIIAV Professor John McKay	“The New Asian Hemisphere: The Irresistible Shift of Global Power to the East” by Kishore Manubani
15th May 2008	Dr David Wright-Neville, Monash University Dr Damien Puglisi, RMIT Waleed Ali, Monash University	VCE Seminar 2 – Global Conflicts
21st May 2008	A Panel Discussion: Dr Jon Barnett, University of Melbourne Dr Fiona Miller, University of Melbourne Prof. John McKay, President – AIIAV	“The New Threat of World Hunger”
27th May 2008	Mr Ian Wilcock, State Director of DFAT	“Crises, Conflicts and Conferences – Reflections on a Diplomatic Career”
4th June 2008	Mr Angus Bartlett-Bragg, Former Honorary Consul for Colombia	“Latin America Lurches to the Left”
11th June 2008	Dr Pradeep Taneja, University of Melbourne	China Forum: “China’s Rising Nationalism – The Double-Edged Sword”
16th June 2008	Reverend Tim Costello AO, Chief Executive of World Vision Australia	“BURMA: The Inside Story of a Humanitarian Crisis”
25th June 2008	Associate Prof. Nick Bisley, La Trobe University	“Adapting to the Asian Century”
27th June 2008	Mr Nimrod Barkan, Head of the Israeli Foreign Ministry Centre for Policy Research	“Israel’s Search for Security”

DIRECTORS' REPORT

Your directors submit the financial statements for the year ended 30 June 2008

1. The names of the Council Members in office at any time during or since the end of the year and the number of meetings they attended are as follows:

<u>Name/Position</u>	<u>Number Eligible to Attend</u>	<u>Attended</u>
President		
Prof John McKay	4	4
Vice Presidents		
Mr Graham Barrett	4	3
Honorary Treasurer		
Mr Greg Romanes	4	4
Immediate Past President		
Ms Zara Kimpton	1	1
Councillors		
Dr Paul Battersby	4	3
Ms Jane Blaxland	4	4
Ms Robyn Byrne	4	4
Ms Annick Cable	1	1
Mr John Cohen OAM JP	3	3
Dr Barry Coldrey	1	1
Dr Carlos De Lemos	4	2
Ms Toni Feddersen	4	3
The Hon Michael MacKellar	4	3
Ms Margaret Papst	4	2
Mrs Pat Petit	4	2
Ms Judy Rothacker	4	1
Mr Les Rowe	4	4
Mr Alistair Urquhart	4	0
Ms Annette Webb	4	4
Mr Ian Wilcock	4	2
Mr William Wilson	1	1

2. The principal activities of the Institute during the financial year were the study of international affairs and the organisation of conferences and seminars. There has been no significant change in the nature of these activities during the year.

3. The net amount of the profit for the financial year ended 30 June 2008 was \$58,225.

4. The number of members of the Institute as at 30 June 2008 was:

Financial	687
Honorary	26
TOTAL:	713

5. The Institute is a company limited by guarantee and no dividend has been or will be declared or paid.

6. **Further Developments**

During the year ending 30th June 2008, this Institute will continue to study international affairs and serve members needs by organising seminars and releasing publications.

7. **Review of Operations**

The Institute achieved a profit of \$58,225 for the year ended 30 June 2008 compared with a profit of \$61,808 in the previous year.

8. **Subsequent Events**

No matters have arisen since 30th June 2008, to the date of this report that affects the Institute or the financial statements.

9. State of Affairs

There were no significant changes in the state of affairs of the company during the year.

10. Directors Indemnification

The company does have insurance in respect of all of the directors.

By order of the Council in accordance with a Resolution of the Directors.



President



Honorary Treasurer

Dated this 25th November, 2008

Melbourne, Victoria

AUSTRALIAN INSTITUTE OF INTERNATIONAL AFFAIRS VICTORIA

A.C.N.: 004 560 829

(A COMPANY LIMITED BY GUARANTEE)

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2008**

	Note	2008 \$	2007 \$
Revenues from ordinary activities	2	413,125	213,846
Expenses from ordinary activities			
Capitation fees		(10,016)	(6,782)
Function expenditure		(67,383)	(55,278)
Study Tour		(179,559)	-
Employment		(46,362)	(45,660)
Communications		(11,279)	(13,724)
Property expenses		(20,990)	(15,450)
Other		(13,605)	(9,879)
Profit/(Loss) before Depreciation and income tax		63,931	67,073
Depreciation		(5,706)	(5,265)
Profit/(Loss) before Income tax		58,225	61,808
Income tax Expense	1 (c)	-	-
Profit/(Loss) after Income tax		58,225	61,808

The Statement of Financial Performance is to be read in conjunction with the notes to the financial statements

AUSTRALIAN INSTITUTE OF INTERNATIONAL AFFAIRS VICTORIA

A.C.N.: 004 560 829

(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2008

	Note	2008	2007 \$
CURRENT ASSETS			
Cash	3	240,315	192,357
Other	4	12,469	8,877
TOTAL CURRENT ASSETS		252,784	201,234
NON-CURRENT ASSETS			
Property, Plant and Equipment	5	1,037,299	1,029,734
TOTAL NON-CURRENT ASSETS		1,037,299	1,029,734
TOTAL ASSETS		1,290,083	1,230,968
CURRENT LIABILITIES			
Creditors and borrowings	6	5,287	4,996
Other	7	-	-
Provisions	8	2,213	1,692
TOTAL CURRENT LIABILITIES		7,578	6,688
TOTAL LIABILITIES		7,578	6,688
NET ASSETS		1,282,505	1,224,280
MEMBERS' EQUITY			
Reserves	9	1,005,470	1,005,470
Accumulated Profit	10	189,798	131,573
Dyason Bequest	11	87,237	87,237
TOTAL MEMBERS' EQUITY		1,282,505	1,224,280

The Statement of Financial Position is to be read in conjunction with the notes to the financial statements.

AUSTRALIAN INSTITUTE OF INTERNATIONAL AFFAIRS VICTORIA

A.C.N.: 004 560 829

(A COMPANY LIMITED BY GUARANTEE)

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2008**

	Note	2008 \$	2007 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from members, tenants and sales		431,604	207,893
Payments to suppliers and employees		(380,692)	(153,007)
Interest received		10,318	5,307
Net cash provided by operating activities	(ii)	61,230	60,193
CASHFLOWS FROM INVESTMENT ACTIVITIES			
Payments for property, plant and equipment		(13,271)	(3,342)
Net Cash used in investment activities		(13,271)	(3,342)
Net increase (decrease) in cash held		47,959	56,851
Cash as at beginning of year		192,357	135,506
Cash as at end of year	3	240,315	192,357

NOTES TO THE STATEMENT OF CASH FLOWS

(i) Reconciliation of Cash

For the purpose of the Statement of Cash Flows, cash includes cash on hand and in banks and investments in money market instruments. Cash at the end of the year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

Cash	3	240,315	192,357
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(ii) Reconciliation of Net Cash Provided by Operating Activities to Operating Result

Operating Profit /(Loss) After Income Tax		58,225	61,808
Add Non-Cash Items			
Depreciation		5,706	5,265
Changes in Assets and Liabilities			
(Increase) / Decrease in Other Current Assets		(3,592)	3,353
Increase / (Decrease) in Creditors		291	(1,683)
Increase / (Decrease) in Other Current Liabilities		-	(3,818)
Increase / (Decrease) in Provisions		600	(4,732)
Net Cash Provided by (used in) Operating Activities		61,230	60,193

AUSTRALIAN INSTITUTE OF INTERNATIONAL AFFAIRS VICTORIA

A.C.N.: 004 560 829

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) **Basis of Accounting**

In the opinion of the directors, the Company is a reporting entity. The financial report constitutes a general purpose financial report which has been drawn up in accordance with applicable Accounting Standards and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views). The financial statements have also been prepared on the basis of historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the significant accounting policies adopted by the Institute in the preparation of the financial statements.

(b) **Depreciation**

Depreciation is provided for on fixed assets so as to write off the assets progressively over their useful life. The diminishing value method has been used at the rate of 15%p.a. for the office furniture and equipment, 30%p.a. for the security alarm and folding machine, and 37.5% p.a. or 40%p.a.(depending on circumstances) for computer equipment. The Library is depreciated at 10%p.a. The building is being depreciated over 30 years.

(c) **Income Tax**

The Company is exempt from income tax and accordingly there is no liability shown in the accounts.

(d) **Segment Information**

The Company operates in Australia as a non-profit organisation providing membership services to those with an interest in overseas political and economic issues.

(e) **Land and Building**

The property at 124 - 126 Jolimont Road, East Melbourne has been valued by the Directors on the basis of an independent kerb-side valuation performed on 13 August 2004.

(f) **Revenue recognition**

Membership subscriptions are recognised over the period to which they relate. Rental income is recognised as it accrues over the period that the property is leased to third parties. Interest revenue is recognised as it accrues.

(g) **Payables**

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the Company. Trade accounts payable are normally settled within 30 days. The carrying value of accounts payable approximate net fair value.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

(h) **Goods and Services Tax**

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

Cash flows are included in the statement of cash flows on a net basis.

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

The provision for employee entitlements to wages, salaries and annual leave represent the amount which the Company has a present obligation to pay resulting from employee services provided up to the balance date. The provisions have been calculated at undiscounted amounts based on current wage and salary rates and include related on-costs.

(j) **Superannuation**

Contributions to employee superannuation funds are charged against income as they are made. The employer contributions are paid to an approved superannuation scheme.

AUSTRALIAN INSTITUTE OF INTERNATIONAL AFFAIRS VICTORIA

A.C.N.: 004 560 829

(A COMPANY LIMITED BY GUARANTEE)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

	Note	2008 \$	2007 \$
2. REVENUE			
Revenue from Ordinary Activities:			
Members Subscriptions		49,361	43,192
Function Admission		89,800	106,567
Study Tour		205,637	-
Rental Income		27,804	33,143
Donations		29,930	26,062
Interest		10,318	5,307
Other		275	(425)
Total Revenue from Ordinary Activities		413,125	213,846
3. CASH ASSETS (CURRENT)			
Cash at Bank		240,315	192,357
Total Cash Assets		240,315	192,357
<p>Carrying amounts of financial instruments approximate net market values determined by reference to the present values of future cash flows.</p>			
4. OTHER ASSETS (CURRENT)			
Current Prepayments		1,505	2,695
Cash on Hand		200	200
Rent and Donations Receivable		-	2,973
GST Refund (net)		7,755	-
Publications on Hand - at cost		3,009	3,009
Total Other Assets		12,469	8,877
5. PROPERTY, PLANT and EQUIPMENT			
Freehold Land at Directors' Valuation 1(e)		1,000,000	1,000,000
Buildings - at cost		27,611	27,611
Less: Accumulated Depreciation		(14,937)	(14,018)
Total		1,012,674	1,013,593
Computer Equipment - at cost		14,846	9,843
Less: Accumulated Depreciation		(10,283)	(8,795)
Total		4,563	1,048
Office Furniture and Equipment - at cost		85,333	77,065
Less: Accumulated Depreciation		(65,323)	(62,030)
		20,010	15,035
Library - at cost		3,241	3,241
Less: Accumulated Depreciation		(3,189)	(3,183)
		52	58
Total Property, Plant and Equipment		1,037,299	1,029,734

AUSTRALIAN INSTITUTE OF INTERNATIONAL AFFAIRS VICTORIA

A.C.N.: 004 560 829

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
5. PROPERTY, PLANT and EQUIPMENT (cont.)			
Reconciliation of Movements			
Opening Balance		1,029,734	1,031,657
Additions		13,271	3,342
Revaluation		-	-
Depreciation		(5,706)	(5,265)
Total		1,037,299	1,029,734
6. CREDITORS & BORROWINGS (CURRENT)			
Sundry Creditors		5,287	4,996
Total Creditors and Borrowings		5,287	4,996
7. OTHER LIABILITIES (CURRENT)			
Subscriptions and Rent received in advance		-	-
Total Other Liabilities		-	-
8. PROVISIONS (CURRENT)			
Employee Provisions		2,291	1,692
Total Provisions		2,291	1,692
9. RESERVES			
Capital Reserve		42,427	42,427
Research Reserve		2,181	2,181
Dyason House Maintenance Fund		6,851	6,851
John Legge Library Fund		2,445	2,445
Asset Revaluation Reserve		951,566	951,566
Total Reserves		1,005,470	1,005,470
10. ACCUMULATED PROFIT			
Balance at beginning of year		131,573	69,765
Profit/(Loss) for year		58,225	61,808
Balance at end of year		189,798	131,573
11. BEQUESTS			
Dyason Bequest		87,237	87,237
Total Bequests		87,237	87,237

AUSTRALIAN INSTITUTE OF INTERNATIONAL AFFAIRS VICTORIA

A.C.N.: 004 560 829

(A COMPANY LIMITED BY GUARANTEE)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

	Note	2008 \$	2007 \$
12. AUDIT FEES			
Fees for Auditing Services		2,600	1,350
Total		2,600	1,350

13. DIRECTORS REMUNERATION

Income received or due and receivable
by all directors from the Company and any
Related corporations.

-

14. MEMBERS' LIABILITY

The liability of the members of the Institute is limited. Each member has an obligation to contribute to the assets of the Institute in the event of the same being wound up whilst he is a member, for payment of debts. The amount of each members' liability is limited to \$20.

15. EMPLOYEE ENTITLEMENTS

Aggregate Employee Entitlements, including on-costs;

- Current

2,213

1,692

Total

2,213

1,692

16. RELATED PARTY TRANSACTIONS

Directors attend functions arranged by the Company and pay attendance fees equal to those paid by other members. Otherwise there are no related party transactions.

17. OTHER STATUTORY INFORMATION

The Company is incorporated and domiciled in Australia.

The registered office and principal place of business is:

Dyason House

124 Jolimont Road

East Melbourne Vic 3002

The Company had one employee at 30 June 2008

AUSTRALIAN INSTITUTE OF INTERNATIONAL AFFAIRS VICTORIA

A.C.N.: 004 560 829



(A COMPANY LIMITED BY GUARANTEE)

DECLARATION BY DIRECTORS

In the opinion of the directors of the Australian Institute of International Affairs (Victoria):

- (a) The accompanying financial statements and notes, set out on pages 3 to 10, are in accordance with the Corporations Act 2001, comply with the accounting standards and give a true and fair view of the Company's financial position as at 30 June 2008 and of its performance for the year ended on that date; and
- (b) At the date of this declaration, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.

Director

Director

Dated this 25th November, 2008

Melbourne

Independent Auditors' Report to the Members

Scope

We have audited the financial report of The Australian Institute of International Affairs Victoria for the financial year ended 30 June 2008 as set out on pages 3 to 10. The members of the Executive Committee are responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the Company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements and statutory requirements in Australia so as to present a view which is consistent with our understanding of the Institute's financial position, and performance as represented by the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion, the financial report of The Australian Institute of International Affairs Victoria is in accordance with:

(a) The Corporations Act 2001, including:

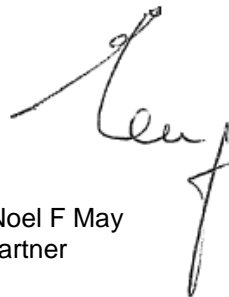
i) giving a true and fair view of the Company's financial position as at 30 June 2008 and of its performance for the year ended on that date; and

ii) complying with Accounting Standards and the Corporations Regulations 2001; and

(b) other mandatory professional reporting requirements.

PKF Chartered Accountants
25 November 2008
Melbourne

Noel F May
Partner



NATIONAL OFFICE

PRINCIPAL OFFICERS

Visitor	HE Major General Michael Jeffery AC, CVO, MC (Retd) Governor-General of Australia
President	Mr Clive Hildebrand
Vice President	Mr Geoffrey Miller AO
Hon. Treasurer	Mr Dayle Redden
National Executive	Dr Susan Boyd Ms Veronika Butta Ms Melissa Conley Tyler (Executive Director & Company Secretary) Mr Ian Dudgeon Mr Clive Hildebrand Prof. Aynsley Kellow Prof. John McKay Mr Geoffrey Miller AO Dr Felix Patrikeeff Mr Dayle Redden Prof. Michael Wesley Mr Mack Williams
Chairman, Research Committee	Associate Prof Martin Griffiths
Editor, Australian Journal of International Affairs	Prof Michael Wesley
DFAT Representative	Mr David J Ritchie

NATIONAL OFFICE

Executive Director	Ms Melissa Conley Tyler
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BRANCH PRESIDENTS

Prof John McKay (VIC)
Mr Mack Williams (NSW)
Mr Ian Dudgeon (ACT)
Ms Veronika Butta (Qld)
Dr. Susan Boyd (WA)
Dr Felix Patrikeeff (SA)
Prof. Aynsley Kellow (Tas)