



ONE STUDENT AT A TIME IN A COMMUNITY OF LEARNERS... SMALL SCHOOLS BY DESIGN

BIG PICTURE EDUCATION AUSTRALIA

Annual Report 2012

BIG PICTURE AT WORK IN 2011/12

In our strategic plan we aim to:

- 1. Recruit new Big Picture schools and programs**
- 2. Grow Big Picture schools or programs to demonstration level**
- 3. Support schools, programs and people in the network**
- 4. Undertake research to prove the Big Picture model**
- 5. Grow government and private support**

Growing Big Picture

Big Picture Education Australia is growing fast in Australia.

Across Australia, nearly forty sites currently explore the Big Picture design. New schools, existing schools converting to Big Picture, Big Picture Academies within schools, and other sites work to improve learning.

Demonstrating How Big Picture Works

One of our key aims is demonstrate how Big Picture can work with different people in different places.

We have selected some schools for extra coaching investment, internal and external coaches, and intense research to grow and to demonstrate the power of Big Picture learning.

Supporting Schools

A critical part of Big Picture Education Australia's job is to coach and support schools.

Hands On Coaching

Most Big Picture schools or programs have an ongoing BPEA coach. This is hands on professional development in the school and community.

Professional Development Programs

We conducted several Foundation Training programs in 2012 for around 150 teachers. They were held in Newcastle, Brisbane, Canberra, Hobart, Launceston and Perth. Our training programs are based around personalising learning and the Big Picture design.

Leadership Workshop

We need more coaches in Big Picture. We have thirty or so teachers and coaches in ongoing coach training.

US Study Tour

Big Picture believes in diving deep into learning. Ten educational leaders are working with Viv White and Elliot Washor in three US schools.

National Conference

Big Picture supports learning – student learning, professional development, community development and so on. We held our conference for people to share their experience and wisdom. We learn from each other.

Special Projects

Lake Tuggeranong Initiative”

Establishing a project in the Tuggeranong Valley to support several schools/

Accreditation

We are exploring innovative BP Accreditation by Portfolio entry to University with Murdoch and ACARA.

Development Reviews

We will offer a Success Study, for schools considering becoming a BP school or Academy.

School Review

We use the School Research Framework (SRF) to review the BP schools.

Quantitative Reasoning

A group of mathematics colleagues advise schools on integrating QR more strongly within BP learning.

Research and Evaluation

The Origin Foundation supports research into how the students and teachers are implementing the design.

The methodology and research itself has been developed by academics from four universities – Sydney, Murdoch, Melbourne and UTAS.

Growing key Relationships

A significant part of our activities has been to seek significant support for the Big Picture learning design.

We talk with policy makers and supporters all over the country.

Education System Support

The Commonwealth supports Big Picture Education through school grants and professional development. State government systems invest substantial cash and capital in Big Picture public schools.

Philanthropic Support

Many philanthropists and funders believe education is a great way to improve life for people, especially young people. We have significant support from philanthropists

Community Support

Big Picture has wide community support. Teachers, students, parents and communities use Big Picture to create deep and satisfying learning for each and every student.

PARTNERS

Australian National Schools Network (ANSN)

ANSN offers professional development for teachers and school communities across Australia.

Play4Life

BPEA auspices Play4Life and work together on several projects including a Play Research Circle in Victoria

BPNZ

New Zealand colleagues join us and share their growing work. Mike Hollings and Jen McCutcheon are leading this work.

Big Picture Learning

We have close and ongoing ties with the US organisation.

STAFF

BPEA operates with a small and dedicated management team.

Viv White is CEO of BPEA. Her job is to execute the strategy of the board.

We have three part-time positions in the management team including:

- Operations
- Communications
- Accounts

KEY CONTRACTORS

Big Picture Education Australia maximises the value of donations and funding by minimising the number of staff directly employed by the organisation. Contractors who work within agreed budgets and projects carry out a large proportion of the work. Contractors also bring new work and projects into the organisation.

John Hogan - Redgum Consulting

Redgum Consulting is responsible for school coaching, new opportunities and government relations in WA, SA and ACT.

In 2012 Redgum brought in significant contracts with Yule Brook College, SMYL School and several ACT high schools in the Lake Tuggeranong Project.

John has represented Big Picture Education with State and Federal Governments. Redgum is currently negotiating significant new work with Murdoch University and remote schools in WA.

Peter Morgan

Peter Morgan has been working with the hub of Big Picture schools in the Hunter Region of NSW. He has been integral in supporting schools in Newcastle, as well as pursuing new opportunities with local government and community stakeholders.

Joe Wickert and Peter Flynn - Summer Hill Media

Summer Hill Media is responsible for the communications needs of Big Picture Education. They maintain and develop the website, film and edit moving images, write and design publications, as well as crafting communication with internal and external stakeholders.

Bruce Kiloh

Bruce Kiloh is responsible for school coaching, new opportunities and Government relations in Victoria.

Booksworm

Booksworm is responsible for accounting services, budgeting and financial reporting.

Big Picture Education Ltd
ABN 56 117 655 384

Annual Report - 30 June 2012

Big Picture Education Ltd
Directors' report
30 June 2012

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2012.

Directors

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Vivienne Mary White
Frank Bruce Kiloh
Susan Denise French
Joanne Marie Roberts
Keith Alan Reams
Christopher Richard Bonner
John Stuart Hogan
Angus Duckett White (Resigned 16 May 2012)
Katherine Anne Armstrong
Michael John Hollings
Marylou Denier Verberne

Objectives

Big Picture Education Australia (BPEA) is a non-profit company aiming to stimulate vital changes to Australian education by starting innovative and successful schools and changing the conversation around education. It wants to make schools better. Its philosophy is grounded in educating "one student at a time".

We promote the creation of personalised education programs that are unique for each student. BPEA believes that too many of our young people are failing in our schools. This is because for too many young people school is not relevant to lives and needs and they do not become engaged in learning.

We want to make vital changes in education by generating and sustaining innovative, personalised schools that work with the real world of their greater communities.

Strategy for achieving the objectives

In 2006, Big Picture Company Australia (BPCA) was established, in partnership with the Big Picture in the US. BPCA aims to bring the proven benefits of the Big Picture philosophy to Australia through customising the Big Picture ideas and methodologies to suit the needs of Australian students and their communities. We know we can do this within the current curriculum and assessment context for the same level of funding that each of these students would obtain in larger schools. This can be achieved by establishing systems of small schools.

In Australia, we are seeking to work with other interested parties to customise the American ideas, practices and principles for Australian students and their communities. While there are differences between the Australian and American education systems, the design principles of BPC (USA), which have been developed over the past 20 years, have strong resonance with the Australian reform context.

Principal activities

During the financial year the principal continuing activities of the company consisted of:

- Not for profit educational provider

Performance measures

There is significant room to improve educational outcomes in Australia. Currently over 14% of teenagers in Australia are not in full-time learning or work (Dusseldorp Skills Forum, 2006). In addition, 20% of young Australians fail to complete year 12 or its equivalent (Business Council of Australia, 2005). This level of education is not high in comparison to other Organisation for Economic Co-operation and Development (OECD) countries (Sweet, 2006; Kelly, 2006). Nor are educational outcomes equitable. Indigenous people, rural populations and low economic, social and cultural status groups are all disadvantaged by Australia's education system (ABS, 2006; ABS, 2003).

Big Picture Education Ltd
Directors' report
30 June 2012

Name: Susan French
Title: Director
Qualifications: Principal of St Johns Park High School
Experience and expertise: Executive member and vice president of NSW Teachers Federation and Australian Education Union (ACT), board member and chair of Teachers Federation Health, Teachers Career Service, Taxforce. Formerly principal of Kaleen High ACT, formerly president ACT Secondary Principals Council and formerly NSW Coordinator Australian National Schools Network.
Special responsibilities: Director – attend board meetings, manage some NSW based projects

Name: Vivienne White
Title: Director & National Coach
Qualifications: 30 years experience in Education & Policy Making Sector
Experience and expertise: Former head of VSIC Victorian Schools Innovation Commission
Special responsibilities: Manages staff and contractors, signatory on bank account, coordination of national projects

Name: Frank Bruce Kiloh
Title: Director & Secretary
Qualifications: 35 years working in education sector in Victoria
Experience and expertise: State Coordinator of Disadvantaged Schools Program for 5 years, Assistant General Manager in the Victorian Department of Education and Training; and then Assistant Regional Director in Western Metropolitan Region.
Special responsibilities: Attend board meetings, manage VIC based projects, provide educational consulting services & develop teacher materials, plan and run training workshops in various locations across Australia

Name: Joanne Marie Roberts
Title:
Qualifications: Joanne is Principal of Ascot Vale Primary School, current Board Member of Victorian Curriculum Authority
Experience and expertise: Joanne was previously the Victorian State Coordinator of the Australian National Schools Network. She has worked in both Primary and Secondary sectors of education in Vic schools.
Special responsibilities: Director – attend board meetings

Name: Keith Alan Reams
Title: Director
Qualifications: Keith is a client services principal of Deloitte's Global Transfer Pricing Group and the Service Line Leader for the Asia Pacific Region.
Experience and expertise: Keith is the Client Services Principal and Lead Economist Pacific Rim Global Transfer Pricing for Deloitte's Transfer Pricing Group in San Francisco.
Special responsibilities: Director – attend board meetings

Name: Christopher Richard Bonnor
Title: Director
Qualifications: Chris Bonnor AM is a public education consultant and advocate. He is the co-author (with Jane Caro) of *The Stupid Country – How Australia is dismantling public education* published by UNSW Press in 2007.
Experience and expertise: Chris Bonnor has served as principal of two secondary schools in NSW and until 2006 was President of the NSW Secondary Principals' Council. He is especially known in the education community and occasionally to the wider public through published articles in newspapers, various online publications and through media commentary on education issues, especially as these relate to public secondary schools
Special responsibilities: Director – attend board meetings

**Big Picture Education Ltd
Directors' report
30 June 2012**

Name: John Hogan
Title: Director
Qualifications: John runs an education consulting business, Redgum Consulting Pty Ltd.
Experience and expertise: John has extensive experience, expertise and training in consulting, coaching and supervision; action learning and group work; strategic and project planning, curriculum development; and research and evaluation.
Special responsibilities: Director – attend board meetings. John is engaged as a School Consultant.

Name: Marylou Verbenne
Title: Director
Qualifications: Marylou is a qualified lawyer
Experience and expertise: She has many years experience in the not for profit sector as well as being a qualified lawyer and working in state and federal political roles
Special responsibilities: Director – attend board meetings

Name: Angus White
Title: Director - Resigned 16 May 2012
Qualifications: Angus holds degrees in commerce and teaching.
Experience and expertise: Angus is a director of various philanthropic and not-for-profit organisations such as the Vincent Fairfax Ethics in Leadership Foundation and Milk Crate Theatre. He has a background in outdoor adventure education and humanitarian charitable work with the Australian Red Cross
Special responsibilities:

Name: Mike Hollings
Title: Director
Qualifications: Mike is the Chief Executive of New Zealand's largest school, Te Aho o Te Kura Pounamu, which provides distance education to around 25,000 school-age and early childhood students each year.
Experience and expertise: Mike has more than 30 years' wide-ranging experience in the education sector, from teaching through to management, policy development and review.
Special responsibilities: Director

Name: Katherine Armstrong
Title: Director
Qualifications: Katherine is the founder and Managing Director of Lateral Projects.
Experience and expertise: She is an innovator and strategist with a combination of strong analytical skills, sharp commercial acumen and political nous. Katherine's specialist skills include strategic planning, brief development, procurement strategy, design management and cost control, brokering, leadership and team building.
Special responsibilities: Director

Big Picture Education Ltd
Directors' report
30 June 2012

Meetings of directors

The number of meetings of the company's Board of Directors held during the year ended 30 June 2012, and the number of meetings attended by each director were:

	Full Board Attended	Held
Vivienne Mary White	6	6
Frank Bruce Kiloh	5	6
Susan Denise French	3	6
Andrew Lindsay Bunting	6	6
Joanne Marie Roberts	4	6
Keith Alan Reams	3	6
Katherine Anne Armstrong	3	6
Marylou Denier Verberne	6	6
Angus Duckett White	5	5
John Stuart Hogan	4	6
Michael John Hollings	4	6
Christopher Richard Bonnor	6	6

Held: represents the number of meetings held during the time the director held office.

Contributions on winding up

In the event of the company being wound up, ordinary members are required to contribute a maximum of \$250 each. This amount has already been contributed to the company. Honorary members are not required to contribute.

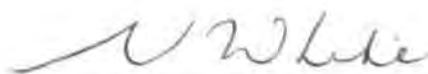
The total amount that members of the company are liable to contribute if the company is wound up is \$Nil, based on 8 current ordinary members.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Vivienne Mary White
Director

24 October 2012
5 Saywell St, Marrickville NSW 2204


Auditor's Independence Declaration

Auditor's independence declaration to the directors of Big Picture Education Ltd

In accordance with section 307C of the Corporations Act 2001, as auditor for the audit of Big Picture Education Ltd for the financial year ended 30 June 2012, to the best of my knowledge and belief, there have been;

- No contraventions of the auditor independences requirements of the Corporations Act 2001 in relation to the audit ; and
- No contraventions of any applicable code of professional conduct in relation to the audit.

Countplus MBT Audit Pty Ltd



Ian George
Director
Sydney

31 October 2012

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General information

The financial report covers Big Picture Education Ltd as an individual entity. The financial report is presented in Australian dollars, which is Big Picture Education Ltd's functional and presentation currency.

The financial report consists of the financial statements, notes to the financial statements and the directors' declaration.

Big Picture Education Ltd is a not-for-profit unlisted public company limited by guarantee.

The financial report was authorised for issue, in accordance with a resolution of directors, on 24 October 2012. The directors do not have the power to amend and reissue the financial report.

Big Picture Education Ltd
Statement of comprehensive income
For the year ended 30 June 2012

	Note	2012 \$	2011 \$
Revenue	3	1,120,150	1,382,756
Expenses			
Employee benefits expense		(360,006)	(212,900)
Depreciation and amortisation expense		(3,261)	(2,655)
Impairment of assets		25,880	(40,679)
Subcontracted expenses		(531,657)	(433,677)
Travelling expense		(120,364)	(122,688)
Other expenses		<u>(191,714)</u>	<u>(95,032)</u>
Surplus/(deficit) before income tax benefit		(60,972)	475,125
Income tax benefit		<u>-</u>	<u>2,701</u>
Surplus/(deficit) after income tax benefit for the year attributable to the members of Big Picture Education Ltd	12	(60,972)	477,826
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
Total comprehensive income for the year attributable to the members of Big Picture Education Ltd		<u>(60,972)</u>	<u>477,826</u>

Big Picture Education Ltd
Statement of financial position
As at 30 June 2012

	Note	2012 \$	2011 \$
Assets			
Current assets			
Cash and cash equivalents	4	620,057	604,171
Trade and other receivables	5	63,058	72,469
Income tax refund due	6	6,960	4,100
Other	7	9,625	10,000
Total current assets		<u>699,700</u>	<u>690,740</u>
Non-current assets			
Property, plant and equipment	8	5,840	7,620
Total non-current assets		<u>5,840</u>	<u>7,620</u>
Total assets		<u>705,540</u>	<u>698,360</u>
Liabilities			
Current liabilities			
Trade and other payables	9	134,208	85,174
Employee benefits	10	22,197	3,079
Total current liabilities		<u>156,405</u>	<u>88,253</u>
Total liabilities		<u>156,405</u>	<u>88,253</u>
Net assets		<u>549,135</u>	<u>610,107</u>
Equity			
Reserves	11	2,000	2,000
Retained surpluses	12	547,135	608,107
Total equity		<u>549,135</u>	<u>610,107</u>

Big Picture Education Ltd
Statement of changes in equity
For the year ended 30 June 2012

	Contributed equity \$	Reserves \$	Retained profits \$	Total equity \$
Balance at 1 July 2010	-	-	132,281	132,281
Surplus after income tax benefit for the year	-	-	477,826	477,826
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	477,826	477,826
Balance at 30 June 2011	-	-	610,107	610,107
	Contributed equity \$	Reserves \$	Retained profits \$	Total equity \$
Balance at 1 July 2011	-	-	610,107	610,107
Deficit after income tax benefit for the year	-	-	(60,972)	(60,972)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(60,972)	(60,972)
Balance at 30 June 2012	-	-	549,135	549,135

Big Picture Education Ltd
Statement of cash flows
For the year ended 30 June 2012

	Note	2012 \$	2011 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		1,112,421	1,375,904
Payments to suppliers and employees (inclusive of GST)		<u>(1,101,403)</u>	<u>(941,950)</u>
		11,018	433,954
Interest received		7,728	6,853
Income taxes paid		<u>(2,860)</u>	<u>(2,053)</u>
Net cash from operating activities		<u>15,886</u>	<u>438,754</u>
Cash flows from investing activities			
Payments for property, plant and equipment	8	<u>-</u>	<u>(8,629)</u>
Net cash used in investing activities		<u>-</u>	<u>(8,629)</u>
Cash flows from financing activities			
Net cash from financing activities		<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents		15,886	430,125
Cash and cash equivalents at the beginning of the financial year		<u>604,171</u>	<u>174,046</u>
Cash and cash equivalents at the end of the financial year	4	<u><u>620,057</u></u>	<u><u>604,171</u></u>

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations adopted

The company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The company has early adopted AASB 1053 'Application of Tiers of Australian Accounting Standards' and AASB 2010-2 'Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements'. No other new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have been early

Any significant impact on the accounting policies of the company from the adoption of these Accounting Standards and Interpretations are disclosed in the relevant accounting policy. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

The following Accounting Standards and Interpretations are most relevant to the company:

AASB 1053 Application of Tiers of Australian Accounting Standards

The company has early adopted AASB 1053 from 1 July 2011. This standard establishes a differential financial reporting framework consisting of two Tiers of reporting requirements for preparing general purpose financial statements, being Tier 1 Australian Accounting Standards and Tier 2 Australian Accounting Standards - Reduced Disclosure Requirements. The company being classed as Tier 2 continues to apply the full recognition and measurements requirements of Australian Accounting Standards with substantially reduced disclosure in accordance with AASB 2010-2.

AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements

The company has early adopted AASB 2010-2 from 1 July 2011. These amendments make numerous modifications to a range of Australian Accounting Standards and Interpretations, to introduce reduced disclosure requirements to the pronouncements for application by certain types of entities in preparing general purpose financial statements. The adoption of these amendments has significantly reduced the company's disclosure requirements.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB'), and the Corporations Act 2001, as appropriate for not-for-profit oriented entities. These financial statements do not comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Note 1. Significant accounting policies (continued)

Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Sale of goods

Sale of goods revenue is recognised at the point of sale, which is where the customer has taken delivery of the goods, the risks and rewards are transferred to the customer and there is a valid sales contract. Amounts disclosed as revenue are net of sales returns and trade discounts.

Rendering of services

Rendering of services revenue from consulting, seminars and workshops is recognised by reference to the stage of completion of the contracts.

Stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours for each contract. Where the contract outcome cannot be reliably estimated, revenue is only recognised to the extent of the recoverable costs incurred to date.

Interest

Interest revenue is recognised as interest is received.

Rent

Rent revenue from a sub-lease is recognised as the rent is received on a straight line basis.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Donations

Donations are recognised at the time the pledge is made.

Income tax

As the company is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable may be impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Note 1. Significant accounting policies (continued)

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of plant and equipment (excluding land) over their expected useful lives as follows:

Plant and equipment	2-7 years
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The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements and plant and equipment under lease are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Impairment of non-financial assets

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Employee benefits

Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Non-accumulating sick leave is expensed to profit or loss when incurred.

Big Picture Education Ltd
Notes to the financial statements
30 June 2012

Note 3. Revenue

	2012 \$	2011 \$
<i>Sales revenue</i>		
Rendering of services	<u>603,225</u>	<u>573,475</u>
<i>Other revenue</i>		
Interest	10,588	6,853
Rent	11,667	-
Donations	468,258	798,000
Other revenue	<u>26,412</u>	<u>4,428</u>
	<u>516,925</u>	<u>809,281</u>
Revenue	<u><u>1,120,150</u></u>	<u><u>1,382,756</u></u>

Note 4. Current assets - cash and cash equivalents

	2012 \$	2011 \$
Cash on hand	150	150
Cash at bank	<u>619,907</u>	<u>604,021</u>
	<u><u>620,057</u></u>	<u><u>604,171</u></u>

Note 5. Current assets - trade and other receivables

	2012 \$	2011 \$
Trade receivables	63,058	114,849
Less: Provision for impairment of receivables	<u>-</u>	<u>(42,380)</u>
	<u><u>63,058</u></u>	<u><u>72,469</u></u>

Impairment of receivables

The company has recognised a loss of \$Nil (2011: \$40,679) in profit or loss in respect of impairment of receivables for the year ended 30 June 2012.

Movements in the provision for impairment of receivables are as follows:

	2012 \$	2011 \$
Opening balance	42,380	1,701
Additional provisions recognised	-	40,679
Unused amounts reversed	<u>(42,380)</u>	<u>-</u>
Closing balance	<u><u>-</u></u>	<u><u>42,380</u></u>

Note 6. Current assets - income tax refund due

	2012 \$	2011 \$
Income tax refund due	<u>6,960</u>	<u>4,100</u>

Note 7. Current assets - other

	2012 \$	2011 \$
Prepayments	-	10,000
Other deposits	<u>9,625</u>	<u>-</u>
	<u>9,625</u>	<u>10,000</u>

Note 8. Non-current assets - property, plant and equipment

	2012 \$	2011 \$
Plant and equipment - at cost	12,119	10,638
Less: Accumulated depreciation	<u>(6,279)</u>	<u>(3,018)</u>
	<u>5,840</u>	<u>7,620</u>
	<u>5,840</u>	<u>7,620</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Equipment \$	Total \$
Balance at 1 July 2011	7,620	7,620
Additions	1,481	1,481
Depreciation expense	<u>(3,261)</u>	<u>(3,261)</u>
Balance at 30 June 2012	<u>5,840</u>	<u>5,840</u>

Note 9. Current liabilities - trade and other payables

	2012 \$	2011 \$
Trade payables	99,912	28,713
Deferred revenue	14,267	50,645
BAS payable	1,287	-
Other payables	<u>18,742</u>	<u>5,816</u>
	<u>134,208</u>	<u>85,174</u>

Note 10. Current liabilities - employee benefits

	2012 \$	2011 \$
Annual leave	<u>22,197</u>	<u>3,079</u>

Note 11. Equity - reserves

	2012 \$	2011 \$
Capital reserve	<u>2,000</u>	<u>2,000</u>

Note 12. Equity - retained surpluses

	2012 \$	2011 \$
Retained surpluses at the beginning of the financial year	608,107	130,281
Surplus/(deficit) after income tax benefit for the year	<u>(60,972)</u>	<u>477,826</u>
Retained surpluses at the end of the financial year	<u>547,135</u>	<u>608,107</u>

Note 13. Financial instruments

Market risk

Interest rate risk

The company is not exposed to any significant interest rate risk.

Note 14. Key management personnel disclosures

Compensation

The aggregate compensation made to directors and other members of key management personnel of the company is set out below:

	2012 \$	2011 \$
Aggregate compensation	<u>191,135</u>	<u>127,711</u>

Note 15. Contingent liabilities

The company had no contingent liabilities as at 30 June 2012 and 30 June 2011.

Note 16. Commitments

	2012 \$	2011 \$
<i>Lease commitments - operating</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	38,500	-
One to five years	54,542	-
	<u>93,042</u>	<u>-</u>

Note 17. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 14.

Transactions with related parties

The following transactions occurred with related parties:

	2012 \$	2011 \$
Payment for other expenses:		
Consulting fees paid to key management personnel	153,918	143,228

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 18. Events after the reporting period

No matter or circumstance has arisen since 30 June 2012 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

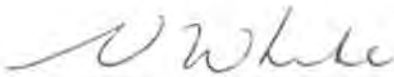
Big Picture Education Ltd
Directors' declaration

In the directors' opinion:

- the attached financial statements and notes thereto comply with the Corporations Act 2001, the Australian Accounting Standards - Reduced Disclosure Requirements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto give a true and fair view of the company's financial position as at 30 June 2012 and of its performance for the financial year ended on that date; and
- 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 directors made pursuant to section 295(5) of the Corporations Act 2001.

On behalf of the directors



Vivienne Mary White
Director

24 October 2012
5 Saywell St, Marrickville NSW 2204

Independent auditor's report to the members of Big Picture Education Ltd

Report on the financial report

We have audited the accompanying financial report of Big Picture Education Ltd, which comprises the statements of financial position as at 30 June 2012 the statements of comprehensive income, the statements of changes in equity and the statements of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risk 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 of the financial report that gives a true and fair view 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 evaluation 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 have given the directors of Big Picture Education Ltd a written Auditor's Independence Declaration, a copy of which is included in the financial report.

Opinion

In our opinion the financial report of Big Picture Education Ltd is in accordance with the Corporations Act 2001, including;

- I. Giving a true and fair view of the company's financial position as at 30 June 2012 and of its performance for the year ended on that date; and
- II. Complying with Australian Accounting Standards and the Corporations Regulations 2001.

Countplus MBT Audit Pty Ltd



Ian George
Director
Sydney

31 October 2012

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