



07/08

ANNUAL REPORT



Changing the way we drink

CHAIR REPORT



This year marks AER's seventh year of operation, and the first year of a new 3-year business plan.

The third business plan is one of consolidation for AER. After meeting the targets in our agreement with the previous government, the Board is pleased to see the amount of positive outcomes AER funding has enabled. We truly have fulfilled our mission to be an innovative funder, not replacing Government, but enabling new projects to proceed, demonstrate worth and gain sustainability.

Once again, AER provided significant sponsorship to Drug Action Week and the National Drug and Alcohol Awards. It is pleasing to see the dedicated work done by the Alcohol and Other Drug (AOD) sector. We are also proud of the number of AER funded projects nominated for awards.

We are now examining the intellectual property generated from our funded projects and exploring a number of avenues for promoting best practice across the AOD sector and wider community. Our new website will be operational early in the new financial year. This website will have summaries of AER projects and the outcomes achieved. I strongly encourage the AOD sector and the general public to make use of these resources.

In the past year AER again sponsored the National Drug Action Week and the National Drug and Alcohol Awards. The AER Board is especially proud of the number and range of projects funded by AER which were nominated for National Awards enabling the dedicated and largely unseen work of the alcohol and other drugs field to be publicly recognised.

To ensure we can continue to fund projects, the Board is actively pursuing funding from government, the private sector and the general public. The work of our Public Fund Committee has established important links within the AOD and other sectors [especially through the Fresh Party event] and the Board looks forward to building on those links into the future. AER support for research projects and linkages with selected institutions and individuals in enhancing the evidence base are of continuing value to an informed dialogue on many aspects of the current and future debate on alcohol abuse in the Australian community.

It is pleasing to see the success we are having in our media and government activities to engage all sectors of the community. AER is increasingly being seen as an expert voice in the alcohol debate. The Board congratulates the CEO and the staff on their efforts throughout the last year. AER will continue to support advocacy initiative such as the National Alliance against Alcohol-Related Violence (NAARV).

On behalf of the Directors of AER, I would like to thank Daryl, Tracey and all the staff of AER. Their efforts to support the AOD sector, promote the work of the Foundation and to help 'change the way we drink' have been outstanding.

A handwritten signature in black ink, appearing to read 'I. Webster'.

Professor Ian Webster
Chairperson

AER DIRECTORS

All AER directors have been with the company since inception in October 2001. The Directors bring a diverse range of experience from health, social policy, legal and corporate backgrounds. Detailed biographies are below.

Professor Ian William Webster AO (Chair)

Professor Webster was appointed a director of AER on 17 October 2001. Ian is a physician and Emeritus Professor of Public Health and Community Medicine of the University of New South Wales. He is Patron of the Alcohol and other Drugs Council of Australia, Chair of the National Advisory Council on Suicide Prevention, Chair of the NSW Expert Advisory Committee on Alcohol and Drugs and President, Governing Council of The Ted Noffs Foundation.

He has chaired a number of Commonwealth and State Government inquiries and reviews on various health issues. Ian also holds clinical practices in Drug and Alcohol Services in rural and metro NSW and is honorary visiting physician to the Matthew Talbot Hostel for the homeless in Sydney. He has conducted research and published in medicine, community and public health, alcohol and other drug problems, mental health and social issues.

Presently, he is the AER Chair and also serves on the Executive and Remuneration committees. During the past year Professor Webster has also served as a director of the following other companies:

The Ted Noffs Foundation
AW Tyree Foundation
Webster Associates Pty Ltd

Cheryl Bart (Chair Audit Committee)

Cheryl Bart is a lawyer and company director. She is the Chairperson of the South Australian Film Corporation and also Chairs the Adelaide Film Festival. Presently, she is the AER Audit Chair. During the past year Ms Bart has also served as a director of the following other companies:

Spark Infrastructure Ltd
ANZ Trustees Limited
ETSA Utilities
Defence Industry Advisory Board
Economic Development Board
South Australia Film Corporation
Adelaide Film Festival
Adelaide Film Festival Investment Fund
Shaw of Australia
Growth Properties Ltd

Tim Costello

Tim Costello is recognised as one of Australia's leading voices on social justice issues, having spearheaded public debates on gambling, urban poverty, homelessness, reconciliation and substance abuse. Since February 2004, as Chief Executive of World Vision Australia, Tim has also been instrumental in ensuring that the issues surrounding global poverty are placed on the national agenda.

Tim has also played a prominent role in the Make Poverty History campaign. And in April 2008, he chaired the Strengthening Communities, Supporting Families and Social Inclusion Committee of the Australian Government's 2020 Summit in Canberra.

Prior to joining World Vision Australia, Tim served as Baptist Minister at the Collins Street Baptist Church in Melbourne, and as Executive Director of Urban Seed, a Christian not-for-profit outreach service for the urban poor. Between 1999 and 2002, he was also National President of the Baptist Union of Australia.

In 2004, Tim was named Victorian of the Year; in June 2005 he was made an Officer of the Order of Australia (AO); and in 2006 was named Victorian Australian of the Year.

Elizabeth Anne Mosey

Elizabeth Mosey (known as Anne) was appointed a director of AER on 17 October 2001. Elizabeth Mosey has worked with remote Aboriginal communities for over 20 years in the Northern Territory, Queensland and Western Australia to assist them in the development of strategies concerning alcohol abuse and petrol sniffing.

She is currently working as a consultant providing training, resource development, and community development support to government and non-government agencies in the areas of alcohol, community night patrols and inhalant substance misuse.

Presently, she serves on the Executive and Remuneration committees.

David Crosbie

David is currently CEO of the Mental Health Council of Australia, the national peak body for the mental health field. He was previously CEO of Odyssey House Victoria, one of Australia's leading alcohol and drug treatment agencies and is the former CEO of the Alcohol and other Drugs Council of Australia.

David has extensive experience in developing and implementing policies and programs to reduce the level of alcohol related harm in Australia.

Presently, he also serves on the Executive and Remuneration committees. During the past year Mr Crosbie has also served as a director of the following other companies:

Crosbie and Associates Pty Ltd
National Drugs Partnership
Non Profit Australia

Dr Bernadette Tobin

Dr Tobin is Director of the Plunkett Centre for Ethics at St Vincent's Hospital in Sydney and Reader in Philosophy at Australian Catholic University. Presently, she also serves on the Audit committee. During the past year Dr Tobin has also served as a director of the following other companies:

Kincoppal-Rose Bay School Pty Ltd
Garvan Institute for Medical Research

Associate Professor Peter d'Abbs

Associate Professor d'Abbs holds a position in the School of Public Health and Tropical Medicine, James Cook University, Cairns and is currently also working with Queensland Health, Cairns. He has conducted extensive policy related research and evaluation in the areas of alcohol problems and community-based interventions, particularly in Indigenous and rural/remote settings.

Scott Wilson (Deputy Chair)

Scott Wilson was appointed a director of AER on 17 October 2001. Scott is the State Director of the Aboriginal Drug and Alcohol Council (SA) Inc, which is the only Indigenous organisation of its kind in Australia.

Mr Wilson has presented a number of papers on behalf of ADAC at both national and international conferences on Indigenous drug and alcohol issues and was awarded the Alcohol and other Drugs Council of Australia (ADCA) Australia Day Achievement Medallion in 1997. In 2003, Mr Wilson was awarded the Centenary Medal for service to Indigenous substance misuse issues.

Presently, he is the AER Deputy Chair and also serves on the Audit, Executive and Remuneration committees. During the past year Scott has also served as a director of the Wine Foundation.

CEO REPORT



At the end of the first year of our new business plan, AER has continued its support of the Alcohol and Other Drug Sector to reduce alcohol related harms and to change community attitudes to excessive alcohol consumption.

Our new business plan has three strategies: Firstly, to promote a change in thinking within community and Government attitudes and approaches to alcohol use and the harmful effects on our community; to increase the

capacity of the Alcohol and Other Drugs Sector to reduce alcohol-related harms; and to promote good practice outcomes as a result of AER funding at many levels of the Australian community.

Our collaborative advocacy work has begun to bear fruit. Under the new Federal Government, we have seen an increase in alcohol funding, along with some taxation reform. It is an encouraging first step after many years of policy neglect. However, there is still more to be done.

To build the pressure for change, AER has created the National Alliance against Alcohol-Related Violence (NAARV). NAARV consists of 60 organisations who are advocating for an agreed set of evidence-based policy changes which will reduce alcohol-related harms in our communities.

Since NAARV's launch in early April, we have seen a good first step on alcohol taxation reform, and the Prime Minister agreeing that alcohol related violence is a "major national contagion". We support the changes made so far, and look forward to presenting further evidence to the Federal government to build the case for effective alcohol policy change.

A considerable amount of change is occurring nationally. AER evidence-based projects underpin our advocacy for changes to legislation and



policy at all levels. In the last financial year, New South Wales and Queensland have amended their liquor acts to include community impact statements and harm-minimisation provisions. The ACT Government is currently reviewing their Liquor Act, and AER has provided comment in this process.

At a local level, AER has supported the campaign to reform the licensing regime in Newcastle's CBD. We are proud of the success in reducing trading hours and are providing further support to defend the Liquor Board's decision. We are also waiting to see the outcomes from the Melbourne 2am lock-out. Only through policy innovations such as these will we truly discover how to change the way we drink.

The positive outcomes achieved by AER projects such as Newcastle's NightLink & NightCare, as well as Queanbeyan's late night bus service have provided AER with the ability to show governments concrete examples of solutions that work. This enables AER to advocate from a position of strength.

AER has continued to directly build the capacity of the AOD sector. Workshops built on AER better practice models of grant management, reporting and governance have continued throughout 2007-08 and offer our constituent organisations free training and an effective forum for sharing knowledge and experience gained by AER in these and other areas. More workshops are planned for the coming year.

Through our media campaigns we have continued to promote a change in Australian attitudes to drinking. AER commissioned research into Australia's drinking experiences over the summer holiday season, which has shown interesting dichotomies between people's self-reported consumption and their perception of their friend's drinking.

The AER public fund still faces difficulty gaining financial support. Alcohol harm -reduction is still seen as a government responsibility. AER, however, has strategic advantages over Governments; we have a strong evidence-base, fewer administrative layers, a unique national-focus, experienced staff and a Board with strong backgrounds in the multi-faceted issues caused by excessive alcohol consumption. Another benefit of AER is its solid financial base. Despite considerable volatility in the world financial market, AER's effective management

of its funds enables full distribution of any corporate, individual or government funding.

I would like to personally thank Ian Webster, our Chair, the Directors and the staff of AER for their support over the past year. It is encouraging to see the beginnings of a change in alcohol policy within Australia. AER looks forward to continuing its support of the AOD sector into the future.



Daryl P Smeaton
Chief Executive Officer

AER MANDATE

To prevent alcohol and other licit substance abuse such as petrol sniffing, especially among vulnerable groups such as Indigenous Australians and youth;

To support evidence-based treatment, research and prevention programs across the AOD sector; and

Through education and awareness programs, highlight the dangers of alcohol and licit substance abuse and promote the responsible consumption of alcohol.

AER VALUES

1. COLLABORATIVE APPROACH
2. CAPACITY BUILDING & COMMUNITY ENGAGEMENT
3. TRANSPARENT & ACCOUNTABLE
4. CULTURAL RESPONSIVENESS
5. ACKNOWLEDGING THE IMPORTANCE OF SOCIAL JUSTICE

In the past seven years as Chairman of AER, Professor Webster has overseen the successful funding of over 950 funding projects covering 700 organisations around Australia, 30% of which are Indigenous.

AER is committed to building capacity in the alcohol and other drugs sector and has provided a framework for significant development and funding in the area.

AER works closely with various Government, non-Government and community groups to ensure the knowledge, experience and resources in the alcohol sector are harnessed and capitalised to improve our nations' collective health.

COMMUNITY

To date, AER has funded \$103.5 million in education and groundbreaking rehabilitation pilot programs across the country. The funding includes numerous programs that contribute to shifting community attitudes towards a more responsible approach to alcohol consumption.

One third of the funds allocated have supported projects within the Indigenous community where AER has worked in partnership with hundreds of dedicated community organisations across Australia. Significant work has been undertaken in prevention, treatment, education and rehabilitation and in boosting the capacity of the alcohol and other drugs sector to address alcohol-related harms.

This work is complemented and supported by important policy partnerships with all levels of government. These partnerships have provided the necessary link between innovative, grass roots programs and policy formulation. These changes to the policy settings of Government programs and the elevation to national agendas including COAG, have established a cohesive approach in addressing national alcohol issues.

POLICIES TO PROMOTE ATTITUDINAL & BEHAVIOURAL CHANGE

AER will continue to focus on three key strategies to influence policy change:

- Promote a change in thinking within community and Government attitudes and approaches to alcohol use and the harmful effects on our community
- Increase the capacity of the Alcohol and Other Drugs Sector (AOD) to reduce alcohol-related harms
- Promote good practice outcomes as a result of AER funding at many levels of the Australian community

In the last financial year, AER has presented to the following Federal Senate Committee Inquiries:

- The Alcohol Toll Reduction Bill 2007
- The Inquiry into Ready-To-Drink Alcoholic Beverages

AER also prepared submissions for:

- The Food Standards Australia New Zealand's inquiry into Labelling Alcoholic Beverages with a Pregnancy Health Advisory Label
- The Alcohol Toll Reduction Bill 2007
- The Inquiry into Ready-To-Drink Alcoholic Beverages
- The ACT Government's review of the Liquor Act 1975

AER has conducted an extensive communications campaign to highlight AER-funded projects, new research and other initiatives of the AOD sector. We have been a prime mover behind the increasing media coverage of excessive alcohol consumption and alcohol-related harms.

Media archives are available on our website at: www.aerf.com.au



CASE STUDIES

AER have funded over 950 projects and we look forward to sharing our learnings from these projects in the future. For more information, visit our website at: www.aerf.com.au

NEW SOUTH WALES & AUSTRALIAN CAPITAL TERRITORY

‘What is a standard Drink’

National Drug and Alcohol Research Centre (NDARC)

The National Drug and Alcohol Research Centre received funding from the AER Foundation to educate students at eight educational institutions in Sydney about National Standard Drink Guidelines. The most successful tool developed was the “Alcohol Use Disorders Identification Test (AUDIT) which is a tool to screen for risky drinking.

Significant outcomes and information regarding attitudes towards drinking emerged from the project. Over 900 brief interventions on alcohol were conducted using AUDIT. The results from the Universities demonstrated that knowledge of standard drinks information was generally poor amongst participants.

Overall this was a cost effective project: results were achieved in both attitudinal and behavioural areas. This project demonstrated the need for more comprehensive investigation, intervention and educational promotion with the targeted age group (18-25) to determine the extent and impact alcohol and binge drinking is having on the group and the extent of the problem within Australia. Once this comprehensive analysis is conducted then appropriate preventative mechanisms can be employed.

‘A Prospective Study of Substance Misuse & of a Community Driven Preventative Measure in Remote Aboriginal Communities’

Royal Prince Alfred Hospital

From 2004 to 2007 researchers from Royal Prince Alfred Hospital in Sydney conducted a prospective study on substance misuse in remote Aboriginal communities in Arnhem Land, and reviewed the Grootte Eylandt

and Milyakburra Youth Development Unit (GEMYDU). Presentation of data to stakeholders raised a unique problem that was resolved by development of new ways of communicating data graphically to remote Indigenous communities.

The study looked at a wide range of factors associated with substance misuse in remote Aboriginal communities including methods of operation, community acceptability, perceived impact, likely ability to meet goals. School attendance, youth apprehension rates, and information on levels of substance use were compared two years before and two years after the initiative was implemented.

Long-term benefits from the project included enhancing the skills base of community researchers with nine Indigenous researchers employed on a five-year follow up of substance misuse in these communities.

Additional funding has been gained by the local Land Council, to monitor substance use in a nearby Aboriginal community and National Illicit Drug Strategy funding (Dept. of Health and Ageing) has been received to support this project and continue the employment of Indigenous researchers.

NORTHERN TERRITORY

‘Mt Theo Program’

Yuendumu Substance Misuse Aboriginal Corporation

The Mt Theo Program was developed by Warlpiri people in 1994 to deal with petrol sniffing at the community level. It has been adopted as the

best practice strategy in the prevention of petrol sniffing in Yuendumu. Yuendumu community is located two hundred and ninety (290) kilometres northwest of Alice Springs on the Tanami Highway and the area has a population of approximately 900 people.

Jaru Pirjirdi is a community action project to create more long-term and systemic solutions to petrol sniffing in Yuendumu (Northern Territory). The initiatives developed from the Jaru Pirjirdi project as well as participation in the entire process will promote a sense of empowerment and hope from which young people can build more meaningful futures.

Based on action research principles the Jaru Pirjirdi project has involved three overlapping and cyclical stages, which include: exploring issues related to petrol sniffing and Indigenous youth well-being; action for positive social change; and formal evaluation of project outcomes. The project provides a wide range of activities for participants including: serving as youth workers for Yuendumu Youth Program; Night School; bush trips and excursions; project work eg: film making; mentoring; and career development e.g. employment with other organisations.

The project has had some significant outcomes, most importantly a lasting sense of self esteem, hope and empowerment from which young people can continue to build more meaningful futures in Yuendumu.

QUEENSLAND

‘Our Children, Our Future’

National Indigenous Radio Service

The National Indigenous Radio Service received AER funding to deliver a comprehensive national campaign utilising prominent Aboriginal and Torres Strait Islander role models to deliver information to parents and support them in addressing adolescent alcohol and inhalant misuse, particularly in rural and remote areas of Australia.

The “Our Children, Our Future” project worked off strong evidence that the primary information source for these communities on health and other related issues was through their local radio station.

The Educational CD contained 6 radio segments suitable for direct broadcast by Australian radio stations. Approximately 900 education packages were mailed to radio stations, Indigenous community organisations and health services. This package was broadcast to more than 250 Indigenous and community radio stations, including 90% of all community and Indigenous radio stations nationally to an estimated audience of approximately six million people.

The project was highly successful in raising awareness about the risks associated with adolescent alcohol and inhalant use in Indigenous communities, in promoting existing programs, strategies and services to address the issues, and it was appropriate in addressing issues specific to Aboriginal and Torres Strait Islanders.

‘Management Skills Training’

Gold Coast Drug Council

The Gold Coast Drug Council project provided an opportunity for Council managers to undergo training to enhance their management skills and improve staff performance. This was an important step for management and governance at the Council. Workplace health and safety training was also conducted. The Gold Coast Drug Council now has a qualified workplace safety officer.

Regular monthly management supervision sessions have been scheduled to address ongoing communication and performance issues. An agreed vision and set of values has been implemented and is being used as a foundation for decision making within the organisation.

At the conclusion of this project the Council was able to secure funding from the Commonwealth Department of Health and Ageing under the Improved Services Measure to appoint a Clinical Director to implement a workforce development plan and a structured clinical supervision program.

SOUTH AUSTRALIA

‘It can ruin your whole Sunday’

YWCA of Adelaide

Young women between the ages of 18 and 25 at three South Australian



University campuses benefited from this project when AER funded Safe Party Packs; training sessions for young women and health professionals supported by advertising in local media, on university campuses and in licensed venues.



Binge drinking has traditionally been seen as a normal pattern of behaviour for university students. A study of Australian university students undertaken by Davey and Clark (1991) reflect that bar staff, student event organisers and students themselves feel that:

“...drinking is a part of the characteristic culture of university life”.

The applicant seeks to prevent this attitude from continuing to shape the university experience for young women.

The results included positive feedback on the information contained in the Safe Party Packs (SPP). 65% of young women in the study indicated that the information increased their awareness of risks associated with drinking. 48% indicated that SPP increased their awareness of risks associated with drinking.

Other benefits of this project were: leadership development opportunities, positive and supportive working relationships with agencies, engagement of more than 5000+ young women in various phases of project; recognition of the project through the National Crime Prevention and Violence Awards; increased awareness of the issues relating to binge drinking and drink spiking and engagement of licensed venues in the project, and inputs to South Australian Drink Spiking legislation.

**‘Building Bridges Between Awareness and Action’
NCETA, Flinders University**

The National Centre for Education and Training on Addiction (NCETA) developed a range of practical workforce development tools and resources specifically relevant to the alcohol workforce.

NCETA has undertaken some of the few national studies and projects in the area of workforce development for the AOD field. The objective was to provide a range of workforce development tools and resources to effectively support Alcohol and Other Drug frontline workers through



access to knowledge and resources. Two thousand copies of a booklet and CD-ROM were produced and distributed throughout the sector.

TASMANIA

'Launceston Drug and Alcohol Action Plan' Launceston Alliance

This project was delivered by an alliance of organisations including the Launceston City Council, Tasmanian Police, National School Chaplaincy Program, ADCA, Launceston General Hospital and others.

The project outcomes have formed the basis for a community approach to developing solutions to mitigate alcohol and other drug harms in the Launceston region. Information on alcohol misuse was disseminated to the local community via presentations at a range of community forums in accordance with an action plan. Extensive research into alcohol consumption in Launceston was also undertaken.

VICTORIA

'YouthINC Diversionary Program' Victoria Police & Barwon Health Service

The YouthINC project developed referral pathways for at-risk youth through police to drug treatment agencies. The pathways allow the agencies to better respond to the education and health needs of young people under the age of 18, who come to police attention through alcohol-related incidents.

The project was initiated by Kyneton Police Department, who recognised the need to look at new ways of targeting these types of offences. Project participants had a reduced recidivism rate of 3%. Over half intended to change their behaviour and 75% reported changing to safer means of drinking. This project has provided the initiative for a comprehensive state-wide program of under age alcohol diversion.

'Outlet Density & its Impact on Alcohol Related Harms' AER Centre for Alcohol Policy Research

Michael Livingston correlated the incident of assault and the density of alcohol outlets within 223 postcodes within the City of Melbourne.

The findings showed a definite link between alcohol outlet density and assault crimes in Melbourne. Further, it found that the relationship between the two is non-linear. This evidence suggests that there are certain thresholds at which it may be advisable to cap types of liquor licenses.

The second paper, produced in collaboration with Dr Tanya Chikritzhs and Professor Robin Room, assessed the literature surrounding alcohol-related harms and outlet density. The paper noted that the historical method for calculating regressions is flawed. This occurs due to previous studies ignoring issues such as quantity of alcohol sold and patron capacities.

'ARC House Program' Kingston City Church

The ARC House program is a residential based recovery program for men generally aged between 18-35 years with substance dependency or other issues. The program provides a secure Christian environment in which participants can achieve a total holistic recovery. It has operated from premises in Keysborough since October 2001.

Whilst the premises were adequate when purchased by the church in 2004, the building had become run down over a number of years. In February 2005 the AER Board approved a capital grant of \$275,000 to be dedicated to a major refurbishment of the building. The building works were finalised in January 2008 and during the remainder of the year, clients were involved in a landscaping project as part of their participation in the program.

WESTERN AUSTRALIA

'Yiriman Project' Kimberley Aboriginal Law and Culture Centre

The Yiriman project idea was first put forward by people from four language groups; Nykina, Mangala, Karajarri and Walmajarri. The project aimed to integrate young Indigenous people back into their traditional communities. A series of workshops, forums and activities were developed and managed in consultation with community elders.

These workshops covered topics such as land management, youth leadership and sustainable economic enterprise.

Initiated by immediate concerns of self harm and substance abuse by youth, the elders consistently endorse the development of a place 'where youth can distance themselves from negative influences, reconnect with their culture in a remote and culturally significant way.'

Combining building strength with positive experiences, the Yirimán project is addressing the complex issues facing many Indigenous youth in the West Kimberly.

The National Alcohol and Drug Awards

The National Alcohol and Drug Awards incorporate a range of award categories, reflecting the diversity of the Alcohol and Other Drugs sector. The awards are backed by a collaboration of the Ted Noffs Foundation, the Alcohol and other Drugs Council of Australia (ADCA), the Australian Drug Foundation (ADF) and the Australian National Council on Drugs (ANCD).

The 2008 night was held on Friday 22nd June 2008 at the Four Seasons Hotel in Melbourne and attracted about 340 guests. The awards included the Prime Minister's Award for Excellence and Outstanding Contribution in Drug and Alcohol Endeavours, as well as Excellence in Media Reporting, Prevention, Research, School Drug Education, Treatment, Services to Young People and the Honour Roll.

The National Drug and Alcohol Awards provide an annual forum for organisations with the sector to come together and acknowledge the industry's achievements and developments. By promoting this event to the general public, awareness is raised around the significant positive impact of the Alcohol and Other Drugs sector on the broader Australian community. There was an extensive media campaign undertaken saw many of the finalists receive generous exposure not only within their local communities but nationwide.

FINANCIALS

The decision by the AER Board of Director's in 2007 to establish a perpetual trust has enabled AER to achieve financial viability and sustainability. The 2007 - 2008 financial year continued the trend of strong income growth and sound management to support our community activities.

Cost saving initiatives have reduced administrative expenses by over \$50,000 for the 2007 - 2008 financial year.

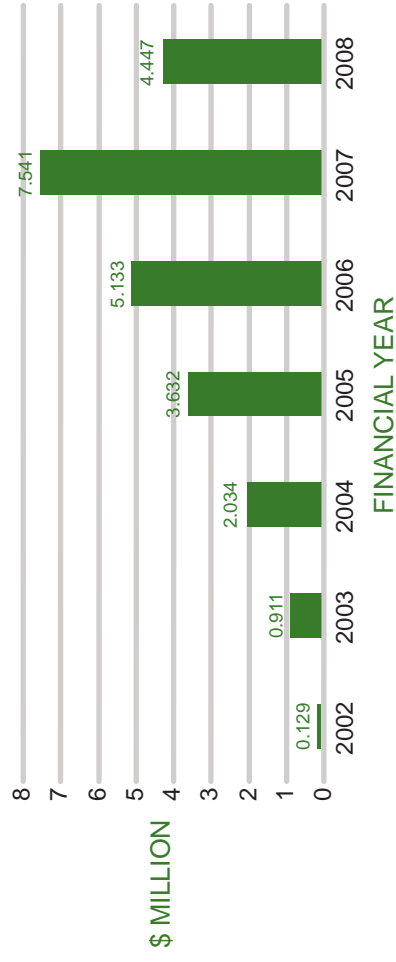
Finances risk and audit:

AER is committed to accountable and transparent financial management. We follow strict procedures to ensure funds are used as intended, including quarterly internal and annual external audits.

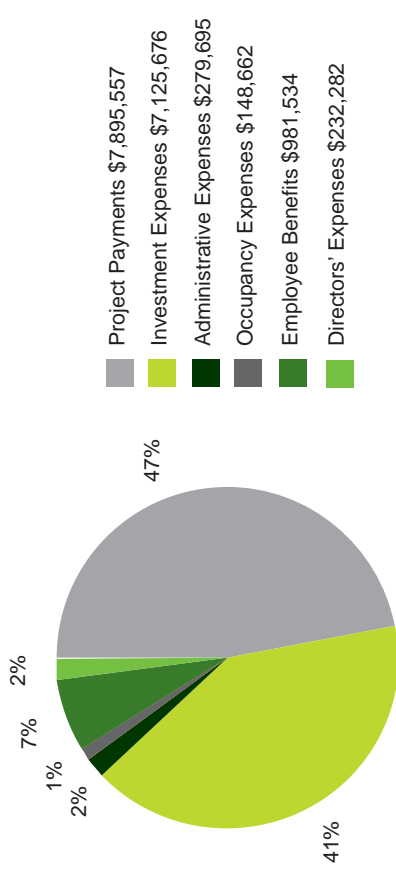
The AER Board and staff are responsible for ensuring that risks, and also opportunities, are identified and responded to on a timely basis, and that AER's objectives address the risks and opportunities identified.

SUMMARY

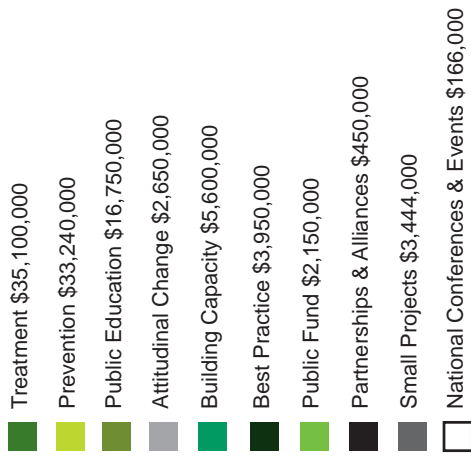
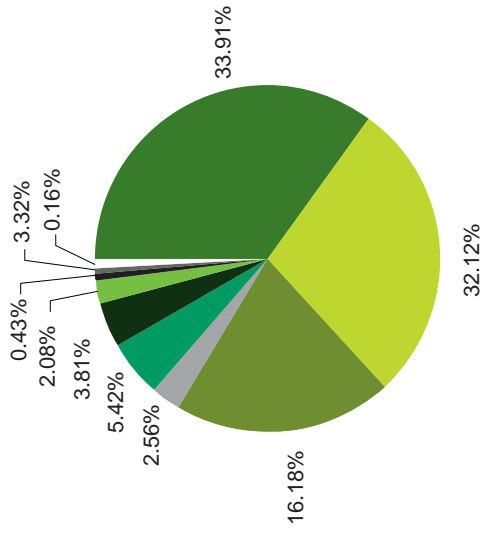
FINANCE REVENUE 2001 - 2008



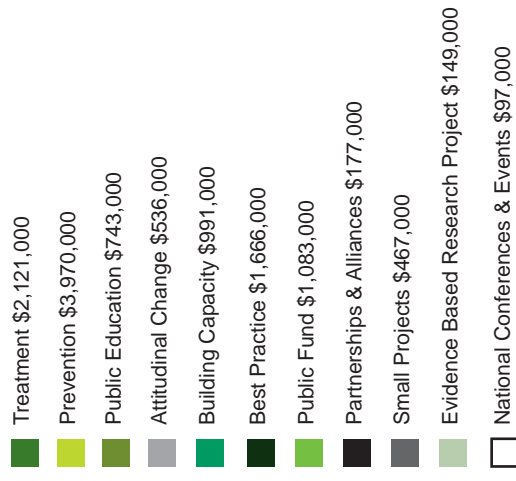
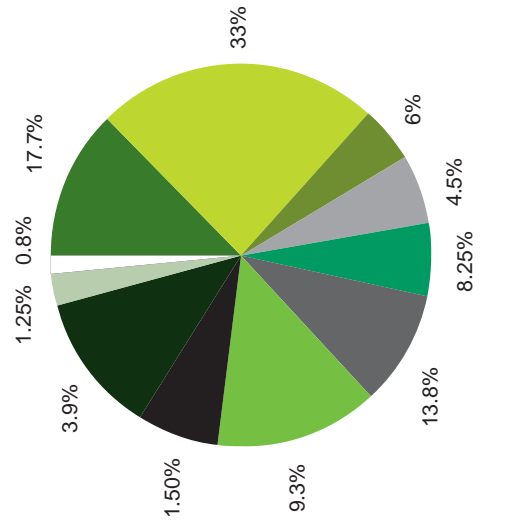
TOTAL EXPENDITURE 2007 - 2008 \$16.66 MILLION



AER PROJECT FUNDING: 2001 - 2008: \$103.5 MILLION



ACTIVE PROJECTS 2008 - 2010: \$12 MILLION



AER STAKEHOLDERS

10th Australian Masters Games-Aboriginal Alcohol and Drug Service Inc (formerly Noongar)-Aboriginal and Islanders Alcohol Relief Service Limited-Aboriginal Drug & Alcohol Council (S.A) Inc (ADAC)-Aboriginal Drug and Alcohol Council (ADAC) / Hepatitis C Council of South Australia-Aboriginal Sobriety Group Inc.-Aborigines & Islanders Alcohol Relief Service Ltd-ACT Building Trades Drug and Alcohol Committee-Addiction Recovery Centres Inc. operating as Oxford Houses Australia (OHA)-Adele Dundas Inc-AFL Cairns Juniors Inc-AFL Central/Australia-AFL Queensland-Cairns Kickstart Program-Albury Wonga Aboriginal Health Service Inc.-Alcohol & Drug Foundation (ADFACT)-Alcohol & Drug Service, Queensland Health-Alcohol & Other Drugs Council of Australia (ADCA)-Alcohol and Drug Foundation - Queensland-Alcohol and Drug Foundation NSW-Alcohol and Drug Foundation NSW - Kathleen Yorke House-Alcohol and Drug Foundation of NSW - Cyrenian House-Alcohol and Drug Foundation Queensland-Alcohol and Other Drug Council of Australia-Alcohol Drug Foundation NSW / Cyrenian House-Alcohol Tobacco and other Drug Council (TAS)-Alcohol Tobacco and Other Drugs Council of Tasmania Inc (ATDC)-Alice Springs Youth Accommodation Support Services (ASYASS)-Alliance of NSW Divisions-Alzheimer's Australia S.A-Anglican Counselling Service-Anglicare SA Inc-Anglicare Victoria-Angurugu Community Government Council-Anyinginyi Congregress Aboriginal Corporation (Anita Curtis)-Apunipima Cape York Health Council Aboriginal Corporation-Arbias Ltd-Aroonba Aboriginal Corporation_Steve Widders-Arts Katharine-Arts North West Inc-Assisting Drug Dependents Inc. (T/A Directions ACT)-Association of Drug Referral Centres Ltd (Manly Drug Education Counselling Centre)-Australasian Professional Society on Alcohol & Other Drugs (APSAD)-Australasian Therapeutic Communities Association-Australian Associated Brewers Incorporated-Australian Catholic University-Australian Community Support Organisation-Australian Drug Foundation-Australian General Practice Network-Australian Medical Procedures Research Foundation Ltd T/A Fresh Start Recovery Programme-Australian National University at the Centre for Aboriginal Economic Policy Research,-Australian Professional Society on Alcohol and Other Drugs (APSAD)-Australian Red Cross-Australian Rural Centre for Addictive Behaviors (ARCB) in conjunction with Western Region Alcohol and Drug Center Inc (WRAD)-Australian Rural Centre for Addictive Behaviours (ARCB)-Avon Youth Services-Baptist Community Services (SA) Inc. (BCS)-Baptist Community Services Westcare-Barossa Region Road Safety Committee-Batchelor Institute of Indigenous Tertiary Education-Baysa Ltd T/A Barwon Youth-BAYS Youth Services-Bayside Health Service - The Alfred Hospital - Connected (VIC)-Bendigo Community Health Services Inc-Bendigo Safe Community Forum Inc.-Bethlehem Community-Beyondblue-the National Depression initiative-Bookyana Inc.-Booleeroo Centre District Hospital and Health Service SA_Regional Health Services Program-Bowraville Central School-Breakfree Foundation Limited-Breaking the Barriers Action Group_Kismet Park Primary School-Bridges Aligned Service Inc-Brisbane Indigenous Media Association-Brisbane Youth Service-Broome Aboriginal Media-Brophy Family and Youth Services-Building Trades Group Drug & Alcohol Committee-Bunbury Regional Art Galleries-Bundaberg Alcohol Tobacco & Other Drugs Service, Sunshine Coast - Wide Bay Health Service District, QLD. Health-Bundjalunga Tribal Society Limited-Buru Ngunawal Aboriginal Corporation-Byron Shire Council - Youth Activities Centre-Calvary Health Care Riverina

Ltd-Cape York Rugby League and Sports Association Inc-Catholic Church of the Diocese of Darwin - Alcohol Awareness and Family Recovery-Catholic Family Services-Ceduna Koonibba Aboriginal Health Service Inc-Centacare-Central Australia Aboriginal Congress Inc-Central Australian Aboriginal Alcohol Program Unit (CAAAPU)-Central Australian Aboriginal Media Association-Central Bayside Community Health Services-Central Great Southern Health Service-Central Land Council-Central Sydney Area Health Service (CSAHS)/Royal Prince Alfred Hospital - Conigrave-Central Victorian General Practice Network (formerly Bendigo and District Division of General Practice)-Child and Family Services-Church on the Rise-City of Albury-City of Ballarat-City of Canning-City of Greater Geelong-City of Kalgoorlie Boulder-Citycare Newcastle Inc-Cobaw Community Health Service-Colac Area Health-Collie Health Service-Community Broadcasting Association of Australia-Community Connections Inc.-Congress Community Development and Education Unit Ltd-Corrugation Road Pty Ltd-Council for Aboriginal Alcohol Program Services (CAAPS)-Country Health SA (formerly Wakefield Health)-Curtin University (NDR)-Curtin University of Technology-Curtin University of Technology-Ben Haines-Damian Walsh-Darwin Skills Development Scheme-DASA / Stewart Naylor-Deakin University (transferred to Monash Uni P3-003) Dr Paul Dietze-Deakin University_Dr Petra Staiger-Denmark Local Drug Action Group-Department of Addiction Medicine, St Vincent's Hospital, Melbourne-Department of Education & Children's Services SA-Department of Health and Human Services - Alcohol and Drug Service-Dharrah Gibini - Casino Aboriginal Medical Service - Anthony Hickling-Directions ACT-Djabulukgu Association - Kakadu Health Service-Djilpin Arts Aboriginal Corporation-Dr Paul Lehmann-Drug & Alcohol Nurses of Australasia Inc (DANA)-Drug & Alcohol Services Association Alice Springs Inc (DASA)-Drug and Alcohol Multicultural Education Centre (DAMEC)-Drug and Alcohol Pilbara Population Health Unit (PPHU)-Drug Arm Australasia-Drug Awareness & Relief Movement NSW/ACT-Drug Education Network Inc-Drug-Arm NSW-Drug-Arm WA-Durri Aboriginal Corporation Medical Service-Eastern Access Community Health-Eastern Access Community Health Inc-Eastern Drug and Alcohol Service (EDAS) / Marcel Koper-Eastern Region Police and Community Drug Alliance (ERPACDA)-Elisa Smith-Elizabeth Pearce-Employee Assistance Service (EAS)-Erin Cowley-Ethnic Broadcasting Association of Queensland Ltd-Exodus Foundation-Family Drug Support (FADISS)-Federation of Psychotherapists & Counsellors of Queensland Inc. (FPCQ) - associated with the Australian Carers Association (ACA)-Ferry's Haven - Palm Island Alcohol and Drug Rehabilitation Aboriginal Council-Flinders University - National Centre for Education and Training on Addiction (NCEETA)-Focal Promotions Pty Ltd-Forster Foundation for Drug Rehabilitation Inc T/A Banyan House-Foundation of Rehabilitation with Aboriginal Alcohol Related Difficulties-Fresh Hope Association Inc-Gareth Daniels - Northern Rivers Division of General Practice-Gennady N Baksheev-Geraldton Regional Aboriginal Medical Service - Brian Councillor-Gethsemane Community Inc-Gindaja Substance Misuse Aboriginal Corporation-Gippsland Lakes Community Health Inc-Gippsland Southern Health Service-Girringun Aboriginal Corporation-Glastonbury Child and Family Services-Glebe Youth Service-Gold Coast Drug Council Inc-Goldbridge - Gold Coast Alcoholics Recovery Project-Goori Original Ltd-Goreta Aboriginal Corporation-Goulburn Valley Area Mental Health Service-Grace Productions-Grampians Community Health Centre Inc.-Greater

Bunbury Division of General Practice-Greater Western Area Health Service-Griffith Skills Training Centre-Gumbi Gumbi Aboriginal and Torres Strait Islanders Corporation-Gunyangara Men's Group-Guthrie House Co-operative Ltd-Hastings Liquor Consultative Committee-Health Education Unit - University of Sydney-Health Outcomes International-Helen Shilton-Hillsong Citycare-Hillsong Emerge Ltd-Historic Houses Trust of New South Wales-Holyoake Alice Springs Inc-Holyoake Tasmania Inc-Home Detoxification Service (operated by Calvary Health Care Riverina)-Hornsby Shire Council-Hunter New England Area Health Service-Hunter Population Health-ICMS Pty Ltd-Illawarra Area Health Service-Illpurla Aboriginal Corporation-Indigenous Conventions Specialists & Associates-Indigenous Festivals of Australia-Indigenous Social Justice Association Inc-Injury Control Council of WA-Inner East Community Health Service-Inner South Community Health Service Inc.-Institute for Aboriginal Development Inc-Jaime Yallup-James Baxandall/Uniting Care Ballarat-James Cook University-Jennifer Turner-Walker-Jesuit Social Services-Jewish House Crisis Centre Inc-Jo Baxter (Life Education Australia)-Jodie Mullen-Journey of Healing (ACT) Inc.-Judge Rainbow Memorial Fund-Jungarni - Jutiya Alcohol Action Council - Debra Dupre-Kalkadon Aboriginal Sobriety House (KASH)-Kalparin Community-Kamira Farm Incorporated-Kapunda Skate Group Incorporated-Karratha Youth Theatre-KASH Aboriginal Corporation-Katherine Mann-Kathryn Ekins-Kedesh Rehabilitation Services Ltd-Keith and District Hospital Inc-Keriba Mina Torres Strait Islander Corporation for Development-Kimberley Aboriginal Law and Culture Centre-Kimberley Division of General Practice-Kimberley Foundation Australia-Kingston City Church (formerly Healtherton Christian Resource Centre (HCRC))-Korrawinga Aboriginal Corporation-La Trobe University-Larrakia Nation Aboriginal Corporation-Latrobe City Council-Launceston City Council-Launceston City Mission-Life Education Australia-Lithgow Community Projects Local Drug Action Group Inc-Lockhart River Council-Longreach Youth Club & Sports Complex-Lower Murray Nungas Club Inc-Maari Ma Health Aboriginal Corporation-Macarthur Drug & Alcohol Services Committee-Mackillop Family Services Ltd.-Macquarie Area Health Service-Macquarie University - Department of Psychology-Macquarie University - Dr Daphne Hewson-Macquarie University - Social Health Program-Maggie White-Maningrida Community Education Centre-Maningrida Council Incorporated-Manly Drug Education & Counselling Centre-Margaret Bernadette Kavanagh-Mary Black-Mary of the Cross Centre (Centacare Catholic Family Services)-Maryborough District Health Service-MDECC / Venetia Demou-Melanie Boursnell-Melbourne Fringe-Melbourne Health-Michael Borenstein (DASWest)-Michelle Arthur-Milingimbi Community Inc.-Millmerran Indoor Sport and Recreation Association-Mirrilingki Spirituality Centre Inc. (Warman Local Drug Action Group)-Mission Australia-Miyagan Aboriginal Development Association-Monash University (transferred from Deakin Uni G551 F328) Dr Paul Dietze-Monto Community Development Council Inc.-Moree Boomerang Rugby League Club-Moree Family Support Inc.-Mothers Crying Out for Help Group-Mount Isa Volatile Substance Misuse Action Group-Ms Nicki Gazis - University of Queensland-Mt Theo - Yuendumu Substance Misuse Aboriginal Corporation-Muna Paiendi Community Health Centre-Mungabareena Aboriginal Corporation - Jason Murray-Murdoch Childrens Research Institute - Centre for Adolescent Health-Mutitjulu Community Council Inc-Nambucca Shire Council-National Correctional Services Advisory Committee-National Drug and Alcohol Research Centre NDARC-National Drug Research Institute, Curtin University of Technology-National Indigenous Radio Service Ltd-National Indigenous Substance Misuse Council Inc.-National Organisation for Fetal Alcohol Syndrome and Related Disorders (NOFASARD)-National Tourism Industry Training Committee Ltd trading Tourism

Training Australia-Naiuyu Nambiyu Community Government Council-NCETA-Network of Alcohol & Other Drugs Agencies Inc-New England Area Health Service-Newcastle City Council-Newman Women's Shelter-Newman YMCA-Ngaanyatjarra Pitjantjatjara Yankunytjatjara Women's Council Aboriginal Corporation (NPYWC)-Ngaimpe Aboriginal Corporation-Nganganawili Aboriginal Community Controlled Health and Medical Services Aboriginal Corporation-Ngnowar-Aerwah Aboriginal Corporation-Ngwala Willumbong Co-operative Limited-Nicole Carmen Lane-Njernda Aboriginal Corporation-North Coast Area Health Service-North yarra Community Health (an auspice of the Yarra Drug & Alcohol Forum)-Northeast Health Wagaratta-Northern Aboriginal & Torres Strait Islander Health Alliance (NATSIHA)-Northern and Far Western Regional Health Service Inc. - Aboriginal Health Unit-Northern Area Community and Youth Services Inc-Northern Sydney Central Coast Area Health Service - Drug and Alcohol Service-NPA Women's Shelter-NPY Women's Council Aboriginal Corporation-NSW Bureau of Crime Statistics and Research (BOCSAR)-NSW Department of Health-NSW Government - Department of Community Services-NSW Government - Department of Education and Training-NSW Government - Department of Gaming and Racing-NSW Government - NSW Police-NSW Government - Project evaluation -NSW Police Force-Nyirrangulung Mardruk Ngadberre Regional Council-OARS SA - Offenders Aid and Rehabilitation Services of SA Inc.-O'Connor House Alcohol Detoxification and Rehabilitation Unit (operated by Calvary Health Care Riverina)-Odyssey House McGrath Foundation-Odyssey House Victoria-Odyssey Institute of Studies-Offenders Aid and Rehabilitation Services of SA Inc (OARS)-Oolong Aboriginal Corporation-ORYGEN Research Centre-Ozcare - Cairns Aftercare Program-Palm Island Alcohol & Drug Rehabilitation Aboriginal Council (Arts Program)-Palmerston Association Inc-Palmerston City Council-Peninsula Health - Peninsula Drug & Alcohol Program - PenDAP-Penrith / St Marys Liquor Licensing Council-Perry Shire Council-Pharmaceutical Society of Australia (Victorian Branch)-Pharmacy Guild of Australia (Tasmanian Branch)-Phoebe House Incorporated-Pilbara Community Drug Service Team-Pine Rivers Neighbourhood Association Inc.-Pintubi Homelands Health Service Aboriginal Corporation-Policy partnership with Palmerston Association, Cyrenian House, Salvation Bridge House & WA state gov-Pormpur Paanth Aboriginal Corporation-Port Adelaide Football Club-Port Hedland Sobering Up Centre Group Incorporated-Port Lincoln Aboriginal Community Council Inc-Port Lincoln Aboriginal Health Service-Port Lincoln Health Services Inc-Port Stephens Council-Portland District Health - Glenelg Southern Grampians Drug Treatment Service-Queanbeyan City Council-Queanbeyan West Public School-Queensland Baptist Care / Glendyne Education and Training Centre-Queensland Council of Social Service Inc.-Queensland Government - Policy partnership-Queensland Health-Queensland Network of Drug and Alcohol Agencies (QNADA)-Queensland Police Citizens Youth Welfare Association - Innisfail Branch-Queensland Police Citizens Youth Welfare Association (Yarrabah PCYC)-Queensland Police Service-Queensland Rugby Football League Limited-RADD Australia Ltd-Radiowise Media Networks Pty Ltd-RaveSafe (a program of VIVAIDS Inc.)-Raymond Bogearts/UnitingCare Ballarat-RDNS Research Unit-Regenesis-Roman Catholic Trust Corporation for the Diocese of Townsville - T/A Centacare Employment-Roman Catholic Trust Corporation for the Diocese of Townsville- T/A North West QLD Indigenous Catholic Social Services-Roman Catholic Trust Corporation for the Diocese of Townsville/TA North West QLD Indigenous Catholic Social Services-Royal Life Saving Society of Australia - WA Branch-Royal Prince Alfred Hospital - A/Prof Katherine Conigrave-Salvation Army - Eastern Australia Command (auspicing NIDAC / ANCD)-School of Psychology UNSW_Prof Mark

Dadds-School of Public Health, University of Sydney_Kate Conigrave-Seif Help Addiction Resource Centre Inc (SHARC)-Serenity Lodge Incorporated-Shanghai Lil Productions Incorporated-Shared Vision Aboriginal Corporation Inc. Wula Wula Nga-Shekinah Homelessness Services Inc-Shire of Busselton-Shire of Capel-Shire of Halls Creek-Shire of Northam-SMART Recovery Australia Ltd-Society of St Vincent De Paul state council of NSW T/A Maryfields Day Recovery Centre-Society of St. Vincent de Paul, Freeman House-Sonshine Sanctuary Association-South Australian Amateur Soccer League Inc-South Australian Government-South Australian Network of Drug & Alcohol Services (SANDAS)-South Burnett Community Training Centre Inc-South Burnett CTC Youth Services-South Coast Medical Service Aboriginal Corporation-South East Sydney Illawarra Health- Illawarra Drug & Alcohol Service-South Eastern Sydney Illawarra Area Health Service-South Sydney Youth Services-South West Healthcare, South Western Centre Against Sexual Assault-South Western Sydney Area Health Service - Drug Health Service-Southern Adelaide Health Service (Drug and Alcohol Services South Australia [DASSA])-Southern Health-SPARC / Alcohol Related Brain Injury Accommodation and Assessment Service (ARBIAS)-Sports Challenge Australia-Sports Medicine Australia ACT Branch-St George Division of General Practice-St Vincents Hospital Melbourne Ltd-St Vincent's Hospital Sydney Ltd-State of Queensland - through the Department of the Premier and Cabinet-Stride Foundation Limited-Sunraysia Community Health Services Inc-Surf Coast Shire-Susan Hill-Swinburne University of Technology-Sydney South West Area Health Service - Dr John Crozier-Sydney West Area Health Service (Drug & Alcohol) in conjunction with NSW Police Service, Blue Mountains Local Area Command-Tamworth Aboriginal Medical Service Inc - Joseph Trindall-Tamworth Youth Care-Tangentyere Council Central Australian Youth Link-Up Service (CAYLUS)-Tangentyere Council Inc-Task Force Community Agency-Ted Noffs Foundation-Ted Noffs Foundation-Teen Challenge Care (QLD)-Telethon Institute for Child Health Research-The Alcohol and Drug Service, St Vincents Hospital-The Australasian Professional Society on Alcohol & Other Drugs-The Australasian Therapeutic Communities Association-The Australian Alcohol and Other Drug Sector-auspiced by AER Foundation Ltd-The Building Trades Group Drug and Alcohol Committee-The Buoyancy Foundation of VIC Inc-The Buttery Incorporated-The Capricorn Coast Schoolies Week Management Committee - auspiced by Livingstone Shire Council-The Construction Industry Drug and Alcohol Foundation-The Drug Awareness and Relief Foundation (Australia) operating as DRUG-ARM GOONDIWINDI-The Forster Foundation for Drug Rehabilitation/Banyan House-The Link Youth Health Service-The Lyndon Community-The Oolong Aboriginal Corporation-The Peppers Illicit Drug Therapeutic Community (operated by Calvary Health Care Riverina)-The Pharmacy Guild of Australia-The Roman Catholic Archbishop of Perth Crossroads Community-The Salvation Army - Recovery Services Command-The Uniting Church in Australia Property Trust (NSW) for the Wesley Mission-The University of Melbourne-The University of Queensland_Gail Williams-The University of Sydney (Julia Tresidder)-The Victorian Alcohol and Drug Association (VAADA)-The Windana Society-Toora Women Incorporated - WIREDD-Toowoomba Crime Prevention Partnership Inc-Top End Division of General Practice-Top End Mental Health Services - Tricia Nagel-Turning Point Alcohol & Drug Centre-UCA - Wayside Chapel-Uniting Care - Harrison Community Services-Uniting Care Moreland Hall-Uniting Care Wesley Adelaide Inc.-UnitingCare Wesley Bowden-UnitingCare West-University of Adelaide_Prof Jason White-University of Melbourne, Centre for Adolescent Health_A/Prof John Toumbourou-University of New South Wales - Dr Lisa Pulver / (NDARC - Dr Rowena Ivers)-University of Newcastle - Dr Amanda

Baker-University of Queensland-University of South Australia - Australian Centre for Child Protection - National Advisory Council-University of Sydney - Centre for Remote Health-University of Sydney (Kate Conigrave)-University of Sydney (Kylie Lee)-University of Sydney, Australian Health Policy Institute-University of Sydney_A/Prof Thiagarajan Sitharhan-University of Sydney_Paul Haber-University of Tasmania-University of Western Australia - Almeida-University of Western Australia - Hulse-Upper Hume Community Health Service-VAADA,NADA,WANADA,NCETA,ADCA-Vibe Australia P/L-Vicdeaf (Victorian Deaf Society)-Victoria Police - Ballarat-Victorian Aboriginal Community Controlled Health Organisation (VACCHO) Inc.-Victorian Aboriginal Health Service Co-operative Ltd-Victorian Alcohol and Drug Association-Victorian Arabic Social Services-Victorian Government Policy Partnership-Victorian State Council of YMCAs Youth Services-Vietnamese Community in Australia-WA Alcohol & Drug Authority-WA Council on Addiction Inc. T/A Cyrenian House-WA Country Health Service - Wheatbelt Population Health - Southern Wheatbelt Primary Health Service-WA Network of Alcohol and other Drug Agencies (WANADA)-Walungurru Community Council Aboriginal Corporation-Waverley Action for Youth Services (WAYS)-Wayville Speedway Promotions P/L t/a Gilbert Racing-We Help Ourselves (WHOS)-Weigelli Aboriginal Corporation-Wesley Mission Brisbane-West Coast Youth Services Inc-Western Australian Drug and Alcohol Authority-Western Australian Network of Alcohol & other Drug Agencies (WANADA)-Western Health/DAS West-Western Institute of TAFE (WIF) - Bathurst Campus-Western Region Alcohol & Drug Centre (WRAD)-Western Sydney Area Health Services-Western Sydney Division of General Practice-Wheatbelt Community Drug Service Team-Whitehorse Community Health Service-Whitelion Inc-Winnunga Nimmitjiah Aboriginal Health Service-Wirringa Baiya Aboriginal Women's Legal Centre Inc-Wollongong City Council-Wollongong Crisis Centre Drug and Alcohol Services Inc-Wollongong Local Area Command (NSW Police)-Women's Alcohol & Drug Advisory Centre Inc. T/A Jarrah House-Women's Council for Domestic and Family Violence Services (WA) Inc-Wongatha Wonganarra Aboriginal Corp (WWAC)-Wontulp-Bi-Buya College-Wu Chopperen Health Service-Wurjuada Aboriginal Corporation for Alcoholism and Drug Dependence Service-YMCA Katherine-Yothu Yindi Foundation-Young Women's Christian Association of Adelaide- (YWCA)-Youth Off The Streets-Youth Outreach Team - DAS West Western Health-Youth Research Centre-University of Melbourne-Youth Substance Abuse Service-Yuelamu Community Inc-Yuendumu Community Council (incorporating Willowra Community)-Yuendumu Womens Centre-YWCA of Adelaide and Drug and Alcohol Services Council--



AER

Foundation Ltd

Changing the way we drink

www.aerf.com.au

Po Box 19
Deakin West
ACT 2600

Level 1, Suite 8
8 Phipps Close
Deakin ACT 2600

Telephone: (02) 6122 8600
Facsimile: (02) 6232 4400

ABN 91 096 854 385

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