



Dr Peter Calvo  
Director

5 August 2004

Mr Michael Choucifate  
Chief of Staff to the Deputy Premier and Minister for Education  
Level 31  
Governor Macquarie Tower  
1 Farrer Place  
SYDNEY  
New South Wales 2000

Dear Mr Choucifate,

For your information, please find attached copies of correspondence between the Australian Institute of Music and the New South Wales Department of Education concerning the AIM's application for registration under the NSW Higher Education Act 2001.

#### **AIM Financial Reports**

While the financial information initially sought by the Department related to the three financial years 2000-2003, the extraordinary circumstances faced by the Institute in late 2003 precipitated a full audit of the Institute's financial situation in late 2003.

At this time, the Institute was also recapitalised so that the Institute is now operating on a debt-free basis, and is cash-flow positive.

I attach a copy of the audit statement dated August 2004 that reflects the positive steps the Institute has taken since the audit report of June 2003.

The accounts for the 2003-2004 financial year are now being prepared and will be available to the Institute no later than October 2004 at which time they shall also be reported to the Department of Education.

The Institute is cash-flow positive and the results will reflect the Institute's strong growth in student numbers and income over the past year.

The Australian Institute of Music  
1-51 Foveaux Street  
CENTRAL, SYDNEY NSW 2000  
AUSTRALIA

Telephone: 61 2 9219 5444  
Facsimile: 61 2 9219 5498

REDACTED



The  
Australian  
Institute  
of Music.

Dr Peter Calvo  
Director

### **Ombudsman's Report on handling of Makarov Case**

I also attach for your information copies of correspondence between the Institute and the Ombudsman in the case of Professor Makarov and recommendations made by the Ombudsman in respect of some aspects of the handling of the matter by the Institute and how the Institute's rules and procedures should be improved to protect the interests of students and staff.

The Institute has accepted all of the recommendations made by the Ombudsman and is undertaking the necessary steps to educate staff and students accordingly.

I personally have taken full responsibility for bringing about the necessary changes in rules and procedures, to create a safe and supportive environment for our students and staff, and in light of our recent experience to deal more effectively with any similar cases that may arise in the future.

As indicated to the Department, I and my senior staff are happy at any time to provide any necessary further information or undertakings in respect of the matters raised by the Department as part of the certification and registration process.

I should hope, however, that this process might be concluded as soon as possible so as to ensure that the Institute can also complete the necessary steps required to ensure that it can register for the Australian government's FEE-HELP program as from 1 January 2005.

Yours sincerely,

Peter Calvo

The Australian Institute of Music  
1-51 Foveaux Street  
CENTRAL, SYDNEY NSW 2000  
AUSTRALIA

Telephone: 61 2 9219 5444  
Facsimile: 61 2 9219 5498

REDACTED