

**THE MELBOURNE PRESS CLUB INCORPORATED**  
**Registered No. HA0033857 J**  
**A.B.N. 27 713 079 515**

**FINANCIAL REPORT**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2004**

**THE MELBOURNE PRESS CLUB INCORPORATED**  
**Registered No. HA0033857 J**  
**A.B.N. 27 713 079 515**

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**THE MELBOURNE PRESS CLUB INCORPORATED**  
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Your committee members submit the financial statements of The Melbourne Press Club for the financial year ended 31 December 2004.

The names of the committee members throughout the year and at the date of this report are:

Ian Henderson (ABC TV): President  
Peter Bartlett (Minter Ellison): Vice President  
Bob Kearsley (Nine Network): Vice President  
David Poulton (Minter Ellison): Treasurer  
Sue Henderson: Secretary  
Sophie Gaylard: Secretary

Bill Birnbauer (The Age)  
Sylvia Bradshaw (Leader Community Newspapers)  
Genevieve Brammall (Herald Sun)  
Eileen Berry (The Age)  
Rob Curtain (3AW)  
Michele Fonseca (ABC TV)  
Melissa Fyfe (The Age)  
Richard Leder (Corrs Chambers Westgarth)  
Justin Quill (Corrs Chambers Westgarth) (Appointed January 2004)  
Adrian Anderson (Corrs Chambers Westgarth) (Resigned January 2004)  
Keith Moor (Herald Sun)  
John Rees (RACV)  
Andrew Rule (The Age)  
Michael Smith (Inside PR)  
Karalee Tilvern (Channel 7)  
John Trevorrow (Herald Sun)

### **Principal Activities**

The principal activities of the organisation during the financial year were:

- Annual Quill Awards for Excellence in Victorian journalism;
- Social functions for members;
- Journalism conferences;
- Regular club lunches with high-profile speakers; and
- Forums for debate on professional issues.

### **Significant Changes**

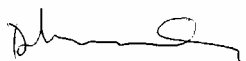
No significant change in the nature of these activities occurred during the financial year.

### **Operating Results**

The deficit from ordinary activities for the year amounted to \$70,443 (2003: Surplus of \$13,132). This figure reflects the fact that whilst during the year, the Melbourne Press Club continued to receive strong support in sponsorship and membership from the public, expenses were higher than in previous years largely due to the significant 'special' expense of the 2004 Journalists' Ball.

Signed in accordance with a resolution of the members of the committee.

**Member**



Mr David Poulton

Dated this 5th day of May 2005.

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**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF  
THE MELBOURNE PRESS CLUB INCORPORATED**

**Scope**

We have audited the financial report, being a special purpose financial report, of The Melbourne Press Club Inc. for the year ended 31 December 2004. The committee is responsible for the financial report and has determined that the accounting policies used and described in the financial statements which form part of the financial report are appropriate to meet the requirements of the Associations Incorporation Act (Victoria) and are appropriate to meet the needs of the members. We have conducted an independent audit of this financial report in order to express an opinion on it to the members of The Melbourne Press Club Inc. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

The financial report has been prepared for the purpose of fulfilling the requirements of the Association Incorporated Act (Victoria). We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the accounting policies as to present a view which is consistent with our understanding of the Association's financial position, and performance as represented by the results of its operations and its cash flows. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia.

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

**Audit Opinion**

In our opinion, the financial report presents a true and fair view in accordance with the accounting policies described in the financial statements, the financial position of The Melbourne Press Club Inc. as at 31 December 2004 and the results of its operations for the year then ended.

BDO

**BDO**  
**Chartered Accountants**



**JEFFREY F KNOTT**  
**Partner**

**Melbourne**  
**Date: 5 May 2005**

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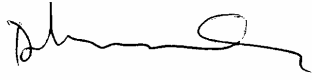
**STATEMENT BY COMMITTEE OF MANAGEMENT**

The committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in the financial statements.

In the opinion of the committee the financial report:

1. Presents fairly the financial position of The Melbourne Press Club Inc. as at 31 December 2004 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that The Melbourne Press Club Inc. will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the committee and is signed for and on the behalf of the committee by:

Treasurer:   
.....  
Mr David Poulton

Dated this 5th day of May 2005

**THE MELBOURNE PRESS CLUB INCORPORATED**  
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**STATEMENT OF FINANCIAL PERFORMANCE**  
**FOR THE YEAR ENDED 31 DECEMBER 2004**

	Note	2004 \$	2003 \$
Revenues from ordinary activities	2	335,768	382,597
Employee benefits expense		(112,618)	(90,708)
Sponsorship, conference and function expenses		(271,218)	(189,578)
Administration and office expenses		(1,987)	(3,782)
Other expenses from ordinary activities		(20,388)	(85,397)
(Deficit)/Surplus from ordinary activities	4 (b)	(70,443)	13,132
Total changes in members' funds		(70,443)	13,132

**THE MELBOURNE PRESS CLUB INCORPORATED**  
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**STATEMENT OF FINANCIAL POSITION**  
**FOR THE YEAR ENDED 31 DECEMBER 2004**

	Note	2004 \$	2003 \$
<b>CURRENT ASSETS</b>			
Cash	4 (a)	<u>23,825</u>	<u>88,966</u>
<b>TOTAL CURRENT ASSETS</b>		<u>23,825</u>	<u>88,966</u>
<b>NON CURRENT ASSETS</b>			
Plant & Equipment	5	<u>2,755</u>	<u>-</u>
<b>TOTAL NON CURRENT ASSETS</b>		<u>2,755</u>	<u>-</u>
<b>TOTAL ASSETS</b>		<u>26,580</u>	<u>88,966</u>
<b>CURRENT LIABILITIES</b>			
Accrued liabilities	6	10,032	7,394
Provision	7	<u>12,029</u>	<u>6,610</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u>22,061</u>	<u>14,004</u>
<b>TOTAL LIABILITIES</b>		<u>22,061</u>	<u>14,004</u>
<b>NET ASSETS</b>		<u>4,519</u>	<u>74,962</u>
<b>MEMBERS' FUNDS</b>			
Accumulated surplus	8	4,519	74,962
<b>TOTAL MEMBERS' FUNDS</b>		<u>4,519</u>	<u>74,962</u>

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2004**

	Note	2004 \$	2003 \$
<b>Cash Flows from Operating Activities:</b>			
Receipts from grants, membership fees and other income		368,628	352,597
Payment to suppliers and employees		<u>(429,637)</u>	<u>361,433</u>
<b>Net cash used in operating activities</b>	4 (b)	(61,009)	(8,836)
<b>Cash Flow from Investing Activity</b>			
Payments for purchases of Assets		<u>(4,132)</u>	<u>-</u>
<b>Net cash used in investing activities</b>		(4,132)	-
<b>Net decrease in cash held</b>		(65,141)	(8,836)
Cash at Beginning of Financial Year		88,966	97,802
<b>CASH AT END OF FINANCIAL YEAR</b>	4 (a)	<u><u>23,825</u></u>	<u><u>88,966</u></u>



**THE MELBOURNE PRESS CLUB INCORPORATED**  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2004**

**NOTE 1: STATEMENT OF ACCOUNTING POLICIES**

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act (Victoria). The committee has determined that the association is not a reporting entity

The financial report has been prepared in accordance with the requirements of the Associations Incorporation Act (Victoria) and the following Australian Accounting Standards:

AASB 1018	Statement of Financial Performance
AAS 4	Depreciation
AAS 5	Materiality
AAS 8	Events Occurring After Reporting Date
AAS 10	Recoverable Amount of Non-Current Assets
AAS 14	Equity Method of Accounting
AAS 15	Revenue
AAS 17	Leases
AAS 28	Statement of Cash Flows
AAS 30	Accounting for Employee Entitlements
AAS 36	Statement of Financial Position
AAS 37	Financial Report Presentation and Disclosures
AAS 38	Revaluation of Non-Current Assets

Australian Accounting Standard AAS6: Accounting Policies, has not been applied but certain provisions of this standard have been adopted.

No other applicable Accounting Standards, Urgent Issues Group Consensus Views or other authoritative pronouncements of the Australian Accounting Standards Boards have been applied.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values, or except where specifically stated, current valuations of non-current assets.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

**(a) Income tax**

The Association is exempt from income tax pursuant to Section 50-5 of Income Tax Assessment Act (1997).

**(b) Fixed Assets**

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all fixed assets are depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2004**

**NOTE 1: STATEMENT OF ACCOUNTING POLICIES (cont'd)**

**(c) Leases**

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the association, are classified as finance leases. Finance leases are capitalised recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are amortised on a straight line basis over their estimated useful lives where it is likely that the association will obtain ownership of the asset or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the period in which they are incurred.

**(d) Employee Entitlements**

Provision is made for the Association's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal amount. Other employee entitlements payable for later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

Contributions are by the Association to employee superannuation funds and are charged as expenses when incurred.

**(e) Revenue Recognition**

Revenue from membership fees are recognised upon receipt.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

**(f) Cash**

For the purposes of the Statement of Cash Flows, cash includes cash on hand, at bank and on deposit, net of bank overdrafts.

**(g) Investments**

Non-current investments are measured on the cost basis.

The carrying amount of investments is reviewed annually by directors to ensure it is not in excess of the recoverable amount of these investments. The recoverable amount is assessed from the quoted market value for shares in listed companies. The expected net cash flows from investments have not been discounted to their present value in determining the recoverable amounts.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2004**

**NOTE 1: STATEMENT OF ACCOUNTING POLICIES (cont'd)**

**(h) Goods and Services Tax**

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

Receivables and payables are stated with the amount of GST included, where applicable.

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

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

**(i) Comparatives**

Where required by accounting pronouncements, comparative figures have been represented or reclassified to conform with changes in presentation for the current financial year.

	<b>2004</b>	<b>2003</b>
	\$	\$
<b>NOTE 2: REVENUE</b>		
<b>Operating Activities</b>		
Subscriptions/Membership fees	17,700	18,035
Functions	36,407	49,486
Sponsorships and grants	199,256	257,500
Quill awards	29,736	38,228
Conference	15,831	17,050
Rebanking credit card errors	729	634
Bank interest	1,461	990
Donations	-	-
Other Income	3,225	674
Journalist's Ball	31,423	
	335,768	382,597
Total Revenue from operating activities	335,768	382,597

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2004**

	<b>2004</b>	<b>2003</b>
	\$	\$
<b>NOTE 3: PROFIT FROM ORDINARY ACTIVITIES</b>		
Profit from ordinary activities has been determined after charging as an expense:		
Remuneration of auditor for:		
- audit services	1,000	1,000
	1,000	1,000
<b>NOTE 4: CASH</b>		
<b>(a) Reconciliation of Cash</b>		
Cash on deposit		
Petty cash	250	250
Cash at bank	23,575	88,716
	23,825	88,966
<b>(b) Reconciliation of net cash (used in) provided by operating activities to operating (deficit) surplus after income tax</b>		
Operating (deficit) surplus	(70,443)	13,132
Non-cash flows in profit from ordinary activities		
Depreciation	1,377	-
Changes in assets and liabilities		
Net increase (decrease) in liabilities	8,057	(22,968)
Net decrease (increase) in assets	-	1,000
<b>Net cash (used in) provided by operating Activities</b>	<b>(61,009)</b>	<b>(8,836)</b>
<b>NOTE 5: PLANT &amp; EQUIPMENT</b>		
Plant & Equipment at Cost	4,132	-
Accumulated depreciation	(1,377)	-
	2,755	-
<b>NOTE 6: PAYABLES</b>		
<b>CURRENT</b>		
Other creditors and accrued liabilities	1,787	-
GST Payable	1,355	1,987
PAYG payable	4,890	4,407
Audit fee	2,000	1,000
	10,032	7,394

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2004**

	<b>2004</b>	<b>2003</b>
	\$	\$
<b>NOTE 7: PROVISION</b>		
Annual Leave	12,029	6,610
	12,029	6,610
	12,029	6,610
<b>NOTE 8: ACCUMULATED SURPLUS</b>		
Accumulated surplus at the beginning of the year	74,962	61,830
(Deficit)/Surplus from ordinary activities	(70,443)	13,132
Accumulated surplus at the end of the year	4,519	74,962
	4,519	74,962

**NOTE 9: ECONOMIC DEPENDENCY**

A significant portion of income is received by way of membership revenue and sponsorship.

**NOTE 10: RELATED PARTY TRANSACTIONS**

**Committee Members:**

The names of the members of the committee who have held office during the financial year are:

Ian Henderson (ABC TV): President  
Peter Bartlett (Minter Ellison): Vice President  
Bob Kearsley (Nine Network): Vice President  
David Poulton (Minter Ellison): Treasurer  
Sue Henderson: Secretary  
Sophie Gaylard: Secretary

Bill Birnbauer (The Age)  
Sylvia Bradshaw (Leader Community Newspapers)  
Genevieve Brammall (Herald Sun)  
Eileen Berry (The Age)  
Rob Curtain (3AW)  
Michele Fonseca (ABC TV)  
Melissa Fyfe (The Age)  
Richard Leder (Corrs Chambers Westgarth)  
Justin Quill (Corrs Chambers Westgarth) (Appointed January 2004)  
Adrian Anderson (Corrs Chambers Westgarth) (Resigned January 2004)  
Keith Moor (Herald Sun)  
John Rees (RACV)  
Andrew Rule (The Age)  
Mike Smith (Inside PR)  
Karalee Tilvern (Channel 7)  
John Trevorrow (Herald Sun)

**Committee Member's Remuneration:**

No income is paid or payable to members of the committee by the association and any related entity.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2004**

**NOTE 11: SEGMENT REPORTING**

The organisation operates predominantly in one sector (media/journalism) and on geographic location (Australia)

**NOTE 12: PRINCIPAL PLACE OF BUSINESS**

The principal place of business of the association is:

Level 3, 525 Collins Street  
Melbourne, Vic 3000

**AUDITOR'S REPORT ON ADDITIONAL INFORMATION**

**THE MELBOURNE PRESS CLUB INCORPORATED**

**Registered No. HA0033857 J**

**A.B.N. 27 713 079 515**

**To the Members**

The additional information presented in the following page has not been subject to audit. Accordingly, we do not express an opinion on the additional information.

BDO

**BDO**  
**Chartered Accountants**



**JEFFREY F KNOTT**  
**Partner**

**Melbourne**  
**Date: 5 May 2005**

**THE MELBOURNE PRESS CLUB INCORPORATED**  
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**INCOME AND EXPENDITURE STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2004**

	Note	2004	2003
		\$	\$
<b>INCOME</b>			
Subscriptions/Membership		17,700	18,035
Functions		36,407	49,486
Sponsorships and Grants		199,256	257,500
Quill Awards		29,736	38,228
Conference		15,831	17,050
Rebanking Credit Card Errors		729	634
Bank Interest		1,461	990
Other Income		3,225	674
Journalist's Ball		31,423	-
		335,768	382,597
<b>EXPENDITURE</b>			
Function Costs		63,250	56,990
Journalist's Ball Costs		73,776	-
Quill Award Costs		104,790	90,074
Conference Costs		29,011	42,514
Secretarial Fees and Expenses		91,006	90,708
Administrative Cost		1,308	3,782
Merchant Credit Card Fees		1,383	-
Audit Fee		1,000	1,000
Sundries		-	663
Stationery		679	11,538
Insurance		6,987	6,915
Sponsor Expenses		390	9,724
Speakers & Representatives		-	4,824
Other Expenses		2,508	4,912
Travel		7,135	12,139
Investment Write-Off		-	1,000
ATO PAYG Tax		21,611	32,682
Depreciation Expenses		1,377	-
		406,211	369,465
<b>NET OPERATING GAIN/LOSS</b>		(70,443)	13,132
Accumulated surplus/deficit at the beginning of the financial year		74,962	61,830
<b>Accumulated surplus at the end of the financial year</b>		4,519	74,962