

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

FINANCIAL REPORT
FOR THE YEAR ENDED
31 DECEMBER 2002

THE MELBOURNE PRESS CLUB INCORPORATED
Registered No. HA0033857 J

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THE MELBOURNE PRESS CLUB INCORPORATED
Registered No. HA0033857 J

Your committee members submit the financial statements of The Melbourne Press Club for the financial year ended 31 December 2002.

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

Neil Mitchell (3AW): President
Ian Henderson (ABC TV): Vice President
Peter Bartlett (Minter Ellison): Vice President
Rod Weidemann (The Age): Treasurer
Mary Cotter: Secretary

Adrian Anderson (Corrs Chambers Westgarth)
Linda Fuller (Channel 7)
Marco Bass (ABC TV & Radio)
Eileen Berry (The Age)
Mary Gearin (ABC TV)
Richard Leder (Corrs Chambers Westgarth)
Bob Kearsley (Channel 9)
Keith Moor (Herald Sun)
Corrie Perkin (NGV)
David Poulton (Minter Ellison)
John Rees (RACV)
Andrew Rule (The Age)
Mike Smith (Inside PR)
John Trevorrow (Herald Sun)
Geoff Wilkinson (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 surplus from ordinary activities for the year amounted to \$33,341 (2001: deficit of \$22,662). This figure reflects the fact that during the year, The Melbourne Press Club received strong support in sponsorship and membership from the public, with expenses well maintained.

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

Member _____
Mr Rod Wiedemann

Dated this day of 2003.

THE MELBOURNE PRESS CLUB INCORPORATED
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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 2002. 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 2002 and the results of its operations for the year then ended.

BDO
Chartered Accountants

JEFFREY F KNOTT
Partner

Melbourne
Date:

THE MELBOURNE PRESS CLUB INCORPORATED
Registered No. HA0033857 J

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 2002 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 Rod Wiedermann

Dated this day of 2003

THE MELBOURNE PRESS CLUB INCORPORATED
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STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 DECEMBER 2002

	Note	2002 \$	2001 \$
Revenues from ordinary activities	2	356,509	291,089
Employee benefits expense		(74,687)	(90,685)
Sponsorship, conference and function expenses		(186,171)	(190,373)
Administration and office expenses		(1,092)	(10,007)
Other expenses from ordinary activities		(61,218)	(22,686)
(Deficit)/Surplus from ordinary activities	4 (b)	33,341	(22,662)
Total changes in members' funds		<u>33,341</u>	<u>(22,662)</u>

THE MELBOURNE PRESS CLUB INCORPORATED
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STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2002

	Note	2002 \$	2001 \$
CURRENT ASSETS			
Cash	4 (a)	97,802	29,226
Prepayment		-	8,000
Investment		<u>1,000</u>	<u>1,000</u>
TOTAL CURRENT ASSETS		<u>98,802</u>	<u>38,226</u>
TOTAL ASSETS		<u>98,802</u>	<u>38,226</u>
CURRENT LIABILITIES			
Accrued liabilities	5	6,972	9,737
Deferred income	6	<u>30,000</u>	<u>-</u>
TOTAL CURRENT LIABILITIES		<u>36,972</u>	<u>9,737</u>
TOTAL LIABILITIES		<u>36,972</u>	<u>9,737</u>
NET ASSETS		<u>61,830</u>	<u>28,489</u>
MEMBERS' FUNDS			
Accumulated surplus	7	61,830	28,489
TOTAL MEMBERS' FUNDS		<u>61,830</u>	<u>28,489</u>

THE MELBOURNE PRESS CLUB INCORPORATED
Registered No. HA0033857 J

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2002

	Note	2002 \$	2001 \$
Cash Flows from Operating Activities:			
Receipts from grants, membership fees and other income		372,509	333,850
Payment to suppliers and employees		<u>(303,933)</u>	<u>(343,428)</u>
Net Cash (Used in) Provided by Operating Activities	4 (b)	68,576	(9,578)
Cash at Beginning of Financial Year	4 (a)	29,226	38,804
CASH AT END OF FINANCIAL YEAR	4 (a)	<u><u>97,802</u></u>	<u><u>29,226</u></u>

THE MELBOURNE PRESS CLUB INCORPORATED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002

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.

THE MELBOURNE PRESS CLUB INCORPORATED

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002**

(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.

(c) 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.

(d) 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.

(e) Cash

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

(f) 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.

THE MELBOURNE PRESS CLUB INCORPORATED

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002**

(g) 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.

(g) Comparatives

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

	2002	2001
	\$	\$
NOTE 2: REVENUE		
Operating Activities		
Subscriptions/Membership fees	16,774	10,785
Functions	53,163	55,483
Sponsorships and grants	223,818	100,931
Quill awards	36,679	69,361
Conference	21,189	50,929
Rebanking credit card errors	1,768	2,830
Bank interest	1,015	730
Donations	-	40
Other Income	2,103	-
	<hr/>	<hr/>
Total Revenue from operating activities	<u>356,509</u>	<u>291,089</u>

THE MELBOURNE PRESS CLUB INCORPORATED

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002**

	2002	2001
	\$	\$
NOTE 3: PROFIT FROM ORDINARY ACTIVITIES		
Profit from ordinary activities has been determined after charging as an expense:		
Movement in provisions:		
Employee entitlements	-	-
Net expense resulting from movement in provision	-	-
Remuneration of auditor for:		
- audit services	1,000	750
- other services	-	-
	1,000	750
NOTE 4: CASH		
(a) Reconciliation of Cash		
Cash on deposit		
Petty cash	250	250
Cash at bank	97,552	28,976
	97,802	29,226
(b) Reconciliation of net cash (used in) provided by operating activities to operating (deficit) surplus after income tax		
Operating (deficit) surplus	33,341	(22,662)
Changes in assets and liabilities		
Net increase (decrease) in liabilities	27,235	7,084
Net (increase) decrease in assets	8,000	6,000
Net cash (used in) provided by operating Activities	68,576	(9,578)
NOTE 5: PAYABLES		
CURRENT		
Other creditors and accrued liabilities		
GST Payable	1,620	-

THE MELBOURNE PRESS CLUB INCORPORATED

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002**

PAYG payable	4,352	-
Audit fee	1,000	-
Other Payable	-	9,737
	6,972	9,737

2002	2001
\$	\$

NOTE 6: DEFERRED INCOME

CURRENT

Income received in advance	30,000	-
	30,000	-

NOTE 7: ACCUMULATED SURPLUS

Accumulated surplus at the beginning of the year	28,489	51,151
Surplus from ordinary activities	33,341	(22,662)
Accumulated surplus at the end of the year	61,830	28,489

NOTE 8: ECONOMIC DEPENDENCY

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

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NOTE 9: RELATED PARTY TRANSACTIONS

Committee Members:

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

THE MELBOURNE PRESS CLUB INCORPORATED

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002**

Neil Mitchell (3AW): President
Ian Henderson (ABC TV): Vice President
Peter Bartlett (Minter Ellison): Vice President
Rod Weidermann (The Age): Treasurer
Mary Cotter: Secretary

Adrian Anderson (Corrs Chambers Westgarth)
Linda Fuller (Channel 7)
Marco Bass (ABC TV & Radio)
Eileen Berry (The Age)
Mary Gearin (ABC TV)
Richard Leder (Corrs Chambers Westgarth)
Bob Kearsley (Channel 9)
Keith Moor (Herald Sun)
Corrie Perkin (NGV)
David Poulton (Minter Ellison)
John Rees (RACV)
Andrew Rule (The Age)
Mike Smith (Inside PR)
John Trevorrow (Herald Sun)
Geoff Wilkinson (Herald Sun)

Committee Member's Remuneration:

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

NOTE 10: SEGMENT REPORTING

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

NOTE 11: PRINCIPAL PLACE OF BUSINESS

The principal place of business of the association is:

Level 23, 525 Collins Street
Melbourne, Vic 3000

AUDITOR'S REPORT ON ADDITIONAL INFORMATION

THE MELBOURNE PRESS CLUB INCORPORATED
Registered No. HA0033857 J

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
Chartered Accountants

JEFFREY F KNOTT
Partner

Melbourne:

Date:

THE MELBOURNE PRESS CLUB INCORPORATED

**INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2002**

	Note	2002 \$	2001 \$
INCOME			
Subscriptions/Membership		16,774	10,785
Functions		53,163	55,483
Sponsorships and Grants		223,818	100,931
Quill Awards		36,679	69,361
Conference		21,189	50,929
Rebanking Credit Card Errors		1,768	2,830
Bank Interest		1,015	730
Donations		-	40
Other Income		2,103	-
		<u>356,509</u>	<u>291,089</u>
EXPENDITURE			
Function Costs		82,461	52,456
Quill Award Costs		104,113	116,094
Conference Costs		38,087	21,823
Secretarial Fees and Expenses		74,687	90,685
Administrative Cost		1,092	10,007
Club History Book		-	21,403
GST Net		-	(4,317)
Merchant Credit Card Fees		2,726	3,251
Audit Fee		1,000	750
Bank Fees and Duties		-	364
Sundries		2,998	1,235
Death Note		429	-
Insurance		1,665	-
Other Expenses		4,091	-
ATO PAYG Tax		9,819	-
		<u>323,168</u>	<u>313,751</u>
NET OPERATING GAIN/LOSS		33,341	(22,662)
Accumulated surplus/deficit at the beginning of the financial year		<u>(24,520)</u>	<u>(1,858)</u>
Accumulated surplus/deficit at the end of the financial year		<u><u>8,821</u></u>	<u><u>(24,520)</u></u>

