



MELBOURNE
PRESS CLUB

ANNUAL REPORT

For the year ended
31 December 2008

MELBOURNE PRESS CLUB

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MELBOURNE PRESS CLUB

COMMITTEE 2008

President:	John Trevorrow, Herald Sun
Vice Presidents:	Peter Bartlett, Minter Ellison Bob Kearsley, Business Essentials
Treasurer:	David Poulton, Minter Ellison
Secretariat:	Sue Henderson Kate Edwards
Committee:	Bill Birnbauer, Monash Univeristy Sylvia Bradshaw, Leader Community Newspapers Genevieve Brammall, Herald Sun Rob Curtain, 3AW Sushi Das, The Age Michele Fonseca, ABC TV Ian Henderson, ABC TV David Jones, VMI Richard Leder, Corrs Chambers Westgarth Andrew Lund, Seven Network Keith Moor, Herald Sun Justin Quill, Kelly Hazell Quill John Rees, Connex Mike Smith, Inside PR Michael Venus, Nine Network

MELBOURNE PRESS CLUB

President's Report 2008

The Melbourne Press Club finished 2008 in a confident position, satisfied that the club is well placed to ride out the uncertain business environment that marked the end of '08 and the beginning of this year.

Your club's committee continued to focus on its charter of providing a forum for discussion of significant public affairs; advancing professional standards and celebrating the best of journalism in Victoria; and providing fraternity and support for those in the craft.

The club remains strong. Our finances are sound, our sponsor base continues to be wide and supportive, and our membership is numerous and diverse.

For that, thanks go to the hard-working committee members and the club's general manager Sue Henderson and her assistant Kate Edwards.

I pay particular tribute to all those people. Your committee is one of the best-connected, active groups of professionals in Melbourne. All of the major media groups in Melbourne are represented on the committee, as well as Melbourne's premier media law firms, several of our sponsors, landmark Melbourne entities and public relations leading lights.

In 2008, we continued to serve our members in a variety of ways. We continued and expanded some of the innovations in club functions – such as the small, less expensive members-only speaker lunches. We held four of these in the year, and they continue to become more popular.

Last October, we held the first Arts lunch to launch the MPC/Trawalla Foundation Arts Journalism Scholarship. We hope this partnership establishes itself in the fabric of the Press Club and arts journalism in Victoria.

We will continue to explore new events, as well as being conscious of holding down fees for our members.

2008 continued to be a challenging year for media, under double-barrelled assault from the economic downturn and a changing media landscape that is nothing short of an industry revolution. All media is under ever-increasing scrutiny and criticism.

It has never been more important than now to celebrate and applaud great journalism. As well as advancing professional standards, this also helps to remind people of the public interest value in our work. Journalism is an essential part of democracy, and people need to be reminded what journalism can and does achieve.

Melbourne is a proud and successful media town, and the club is very proud of the Melbourne Press Club Quill Awards for Excellence in journalism. Quill awards night is

the night of the year for journalism in this state, and winning a Quill is acknowledged and respected in a way that grows in status year after year.

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2008 marked the second year in partnership with Monash University as the club's principal sponsor. Vice-Chancellor Professor Richard Larkins addressed a Press Club lunch early in the year. Prof Larkins is retiring soon as Monash V-C, and the club wishes him well, and thanks him for his support and the support of many of his Monash colleagues at Press Club events in the past two years.

This AGM will mark a period of change on the committee of your club, with 3 retirements and 3 arrivals.

I want to pay particular tribute to Ian Henderson, ABC-TV's flagship newsreader, who is standing down after 15 years of great service on the club committee, including 3 years as President. Ian's wise presence on the committee has helped drive some of the club's key developments.

Also retiring from the committee are Keith Moor (Herald Sun), after 9 years of hard work, and David Jones (Victorian Managed Insurance Authority and formerly with the RACV) who served on the committee for 2 years

Thank you to Ian, Keith and David for their work and contribution to the club, and thanks also to all the committee members who are saddling up for another year of contributing to the club's activities and development.

At the time of writing, 3 people have nominated for the committee vacancies: Mark Baker, senior deputy editor at The Age, Rebecca Matthews, senior producer at the ABC, and Eric Noel, corporate communications manager at the RACV. We welcome them aboard the committee, and look forward to working alongside them.

I will hand on the baton as club president. I have been in the role for 3 years, and it feels like the right time to bring in fresh blood. Michael Venus, director of news at Channel 9 Melbourne, has nominated to become President. Michael has been on the committee for a year, and is active and enthusiastic in bringing a fresh perspective to the committee table. We welcome him as president.

I aim to remain on the committee and involved with the club, and want to pay tribute to the work and support of Sue Henderson and Kate Edwards, and of all committee members in the past 3 years.

On behalf of the club's committee, I thank all members, sponsors and supporters of the Press Club for their involvement in 2008. You can be proud of the club as a forum where members get together and discuss the media industry away from the daily competitive pressures and share each other's successes. The future of the club is in your hands, and it looks well-placed for further success.



John Trevorrow
President

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MELBOURNE PRESS CLUB

Treasurer's Report 2008

During the year ended 31 December 2008 our Club continued to consolidate its financial position in the face of challenging economic conditions. Revenue increased by over \$70,000, and the Club was able to post a net operating gain of \$81,585 for 2008 as against \$60,346 for 2007 and \$6832 for 2006.

We have kept control of our expenses, and have maintained our market share of the increasingly competitive functions market. With the change in economic circumstances we are now looking to find ways to lower the cost of our functions to make them even more accessible and value-for-money for our members and sponsors.

The highlights of financial performance included:

- < Sponsorship receipts for the year rose to \$255,455, from the 2007 position of \$230,000;
- < Membership revenue increased to \$23,327 from \$17,378 in 2007;
- < Revenue from functions increased from approximately \$126,00 to over \$136,000, mainly due to increased revenue from the Quill awards function;
- < Total revenue from operating activities increased from \$379,067 in 2007 to \$420,062 in 2008;
- < Total costs increased only moderately, from \$318,721 in 2007 to \$338,477 in 2008;
- < The bank balance at the end of 2008 was \$127,459 as against \$60,270 as at 31 December 2007.

In 2008 the Quill Awards moved to the Palladium at Crown and again produced a sound financial result.

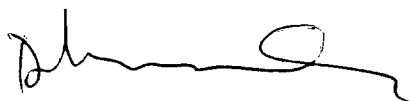
Once again the Club has been fortunate to have the support of a loyal group of sponsors. We are continuing to work hard to provide our sponsors with value for money, and to look for new ways in which we can enhance our relationship with them. In particular we were delighted to receive continued excellent support from our principal sponsor, Monash University.

Our secretariat maintained its highly efficient service to the Club and its members during 2008. I would like to thank our General Manager, Sue Henderson, and her Assistant Manager, Kate Edwards, for their continued excellent work in helping the Club to develop and expand its activities.

The Club's core activities such as memberships and functions, including our popular members' only lunches, are continuing to operate in a very sound manner. The secretariat continues to handle all of the Club's day to day financial work, greatly assisting me in my role as Treasurer.

We have continued to observe the procedures required by our auditors to ensure that accounting and association standards are met. Once again, I would like to thank our auditors, Deloitte Touche Tohmatsu, for their continued efficient service.

David Poulton



Treasurer
Melbourne Press Club
12 June 2009

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MELBOURNE PRESS CLUB

General Manager's Report 2008

2008 was yet another big year for the Melbourne Press Club.

The Quill Awards dinner, held at Crown Palladium for the first time, was our biggest-ever with more than 600 guests. The guest speakers were Michelle Grattan and Laurie Oakes who were also the joint recipients of the Lifetime Achievement Award. Channel Ten's Helen Kapalos did a great job as MC and congratulations to our Gold Quill winner, Heather Ewart from the ABC's 7.30 Report.

The club continued its busy program of lunch speakers including Monash University Vice Chancellor Professor Richard Larkins, the KGB panel (Kohler, Gottliebsen and Bartholomeusz), Minister Penny Wong, Graeme Samuel, Peter Costello, Lindsay Fox and special panels on transport, the Olympic Games and the AFL Grand Final.

This was also the second year of members-only lunches, where key media figures talk to 50-60 members over lunch in an informal setting. Guest speakers included Andrew Jaspan, Neil Mitchell, Andrew Bolt and Paul Ramadge. Once again, all proved very popular.

2008 saw the introduction of a new prize for excellence – the MPC/Trawalla Foundation Arts Journalism Scholarship. This aims to encourage excellence in arts journalism, reviewing and critical appraisal. It offers a \$7500 scholarship to attend a significant arts festival or events. The Victorian Arts Minister Lynne Kosky announced the winner, Gabriella Coslovich, (*The Age*) at a lunch in October. The guest speaker was playwright, Hannie Rayson.

We also held social events for media mums and a breakfast with the Lord Mayor candidates. A record number of entries were received for the Sensis Award for student journalism this year. Congratulations to Jessica Grace from Deakin University who won \$1,000, a week's work experience at Channel Nine and 2 tickets to the Quills Dinner in 2009.

The Club's website www.pressclubonline.com has had an update and is more user-friendly than ever.

The club is very grateful for the continued support from all its sponsors. This year the club welcomed the continuation of Monash University as its principal sponsor. New sponsors for 2008 included Kelly Hazell Quill Lawyers; Private Wealth Management and Kilvington Girls Grammar.

The club continued to be staffed by Kate and myself with a few extra helpers in the lead-up to the Quills. The secretariat is housed at the Minters Ellison offices in the Rialto Towers. A

special thanks to Minters for looking after us. I would also like to thank Deloitte Touche Tohmatsu for producing the club's Financial Report again this year.

One last big thank you to everyone on the committee for all their hard work and enthusiasm. We couldn't do it all without you!



Sue Henderson
General Manager

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FUNCTIONS CALENDAR FOR 2008

	LUNCHES	CONFERENCE	OTHER EVENTS
February	Prof Richard Larkins River Room @ Crown 27.2.08		Members Only Lunch with Andrew Jaspan Waterside Hotel 12.2.08
March			
April			Quill Awards Dinner Palladium at Crown 18.4.08
May	The KGB & Your Money River Room @ Crown 6.5.08		Members Only Lunch with Neil Mitchell Waterside Hotel 19.5.08
June	Transport Panel 1 Bourke St at The Windsor 19.6.08		AGM Minter Ellison 25.6.08
July	Olympic Games Lunch MCC 8.7.08 Minister Penny Wong River Room at Crown 21.7.08		
August	Graeme Samuel River Room at Crown 5.8.08		Members Only Lunch with Andrew Bolt Waterside Hotel 11.8.08
September	Grand Final Lunch Medallion Club 25.9.08		
October	MPC Trawalla Arts Journalism Scholarship Lunch Bluestone Rest Bar 22.10.08 Peter Costello Lunch 1 Bourke St @ The		

	Windsor 28.10.08		
November	Lindsay Fox River Room @ Crown 13.11.08		Lord Mayor Election Breakfast Windsor Grand Ballroom 19.11.08 Media Mums Birdie Num Nums 26.11.08
December			Members Only Lunch With Paul Ramadge Metropolitan Hotel 2.12.08

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MELBOURNE PRESS CLUB

Melbourne Press Club Quill Awards 2008

The Monash University Gold Quill
Heather Ewart 7.30 Report, ABC TV

The Graham Perkin Award for the Australian Journalist of the Year
John Silvester The Age

Lifetime Achievement Award
Michelle Grattan and Laurie Oakes

Young Journalist of the Year Award
Julia Medew The Age

RACV Transport Quill
Geraldine Mitchell Herald Sun

Grant Hattam Quill Award for Investigative Journalism in any Medium
John Silvester The Age & The Sunday Age

Best Columnist
Michael Gordon The Age

Best Sports Story in any Medium
Jake Niall The Age

Best Business Story in any Medium
Joint Winners:
Adele Ferguson The Australian
Cameron Stewart The Australian

Best TV Camerawork in News and Current Affairs
Peter Drought ABC TV News

Best News Photograph
Justin McManus The Age

Best Sports Photograph
Craig Borrow Herald Sun

Best Features Photograph
Andy Drewitt Maroondah Leader

Best Three Headlines in any Medium
Andrew Tate The Age

Best Page Layout
Jon Zabiegala Sunday Herald Sun

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MELBOURNE PRESS CLUB

Continued... Melbourne Press Club Quill Awards 2008

Best Illustration in any Medium
Matt Davidson The Sunday Age

Best Graphics in any Medium
Kirk O'Dwyer Herald Sun

Best Cartoon
Mark Knight Herald Sun

Best Deadline Report in any Medium
Joint Winners:

Keith Moor Herald Sun
Mark Forbes The Age

Best On-line Report
John Silvester, Simon Johanson, Andrew Webster, Tim Mummery & Tom McKendrick
The Age On-line

Best Suburban or Regional Report in any Medium
David Crossthwaite, Andy Drewitt & Brigid O'Connell Maroondah\ Leader

Best Regional or Rural Affairs Report in any Medium
Anthony Radford Bendigo Weekly

Best TV News Report
Norm Beaman Seven News

Best Radio News Report
Brendon Donohoe 3AW

Best TV Current Affairs Report
Heather Ewart 7.30 Report ABC TV

Best Radio Current Affairs Report
Josephine Cafagna AM ABC Radio

Best News Report in Print
Michael Bachelard The Age

Best Feature in Print
Michael Bruce Herald Sun Weekend

MELBOURNE PRESS CLUB

PRINCIPAL SPONSOR



PREMIUM SPONSORS



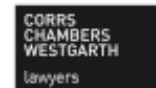
MAJOR MEDIA SPONSORS



MAJOR SPONSORS



CORPORATE SPONSORS



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

ANNUAL REPORT
FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2008

**Special purpose financial report
for the financial year ended 31 December 2008**

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Committee's Report

The committee members of The Melbourne Press Club submit herewith the annual financial report of the association for the financial year ended 31 December 2008. The committee members report as follows:

The names of the committee members during or since the end of the financial year are:

Name

John Trevorrow (Herald Sun): President
Peter Bartlett (Minter Ellison): Vice President
Bob Kearsley (Business Essentials): Vice President
David Poulton (Minter Ellison): Treasurer
Sue Henderson: Secretary

Bill Birnbauer (Monash University)
Sylvia Bradshaw (Leader Community Newspapers)
Genevieve Brammall (Herald Sun)
Rob Curtain (3AW)
Sushi Das (The Age)
Michele Fonseca (ABC TV)

Ian Henderson (ABC TV)

David Jones (VMIA)

Richard Leder (Corrs Chambers Westgarth)

Andrew Lund (Seven Network)
Keith Moor (Herald Sun)
Justin Quill (Kelly Hazell Quill)
John Rees (Connex)
Michael Smith (Inside PR)
Michael Venus (Nine Network)

Principal Activities

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

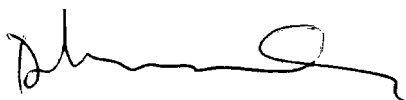
- Annual Quill Awards for Excellence in Victorian journalism;
- Social functions for members;
- Journalism conferences;
- Regular club lunches with high-profile speakers; and
- Forums for debate on professional issues.

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 \$81,585 (2007: \$60,346). The figure for 2008 reflects continuing improvement in the association's financial position. In a challenging environment, where the market for functions is becoming increasingly competitive, the association continued to contain expenses, was able to grow revenue and achieved a significant increase in its surplus. The association needs to maintain a careful approach to financial management as economic conditions remain uncertain.

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



Treasurer:

Mr David Poulton

Melbourne, 15 June 2009

Independent Auditor's Report to the members of The Melbourne Press Club Incorporated

We have audited the accompanying financial report, being a special purpose financial report, of The Melbourne Press Club Incorporated, which comprises the balance sheet as at 31 December 2008, and the income statement, cash flow statement and statement of changes in equity for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the statement by committee of management as set out on pages 4 to 14.

The Responsibility of the Committee for the Financial Report

The Committee of the entity are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the financial reporting requirements of the Associations Incorporation Act (Victoria) and are appropriate to meet the needs of the members. The responsibility of the Committee also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee, as well as evaluating the overall presentation of the financial report.



The financial report has been prepared for distribution to the members for the purpose of fulfilling the Committee's financial reporting requirements under the Associations Incorporation 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Auditor's Independence Declaration

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Auditor's Opinion

In our opinion, the financial report gives a true and fair view, in all material respects, the financial position of The Melbourne Press Club Incorporated as at 31 December 2008 and of its financial performance, its cash flows and its changes in equity for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.

DELOITTE TOUCHE TOHMATSU

M J Schofield
Partner
Chartered Accountants
Melbourne, 15 June 2009

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 2008 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

Melbourne, 15 June 2009

Income statement for the financial year ended 31 December 2008

	<u>Note</u>	<u>2008</u> \$	<u>2007</u> \$
Continuing operations			
Revenue	2	420,062	379,067
Employee benefit expense		(134,938)	(130,491)
Sponsorship, conference and function expenses		(177,193)	(173,228)
Administration and office expenses		(3,642)	(5,982)
Depreciation		(912)	(505)
Other expenses		(21,792)	(8,515)
Surplus before tax		81,585	60,346
Income tax expense	1(a)	-	-
Surplus for the year		81,585	60,346
Total changes in members' funds		81,585	60,346

Notes to the financial statements are included on pages 9 to 14.

Balance sheet as at 31 December 2008

	<u>Note</u>	<u>2008</u> \$	<u>2007</u> \$
Current assets			
Cash	8(a)	127,459	60,270
Trade and other receivables	3	159	25,770
Prepayments		46,874	7,165
Total current assets		<u>174,492</u>	<u>93,205</u>
Non-current assets			
Plant and equipment	4	2,349	3,144
Total non-current assets		<u>2,349</u>	<u>3,144</u>
Total assets		<u>176,841</u>	<u>96,349</u>
 Current liabilities			
Trade and other payables	5	8,608	7,022
Provisions	6	14,285	16,964
Total current liabilities		<u>22,893</u>	<u>23,986</u>
Total liabilities		<u>22,893</u>	<u>23,986</u>
Net assets		<u>153,948</u>	<u>72,363</u>
 Members' funds			
Accumulated surplus	7	153,948	72,363
Total members' funds		<u>153,948</u>	<u>72,363</u>

Notes to the financial statements are included on pages 9 to 14.

Statement of changes in equity for the financial year ended 31 December 2008

	Accumulated surplus \$	Total \$
Balance at 1 January 2007	12,017	12,017
Surplus for the year	60,346	60,346
Balance at 31 December 2007	72,363	72,363
Surplus for the year	81,585	81,585
Balance at 31 December 2008	153,948	153,948

Notes to the financial statements are included on pages 9 to 14.

Cash flow statement for the financial year ended 31 December 2008

	<u>Note</u>	<u>2008</u> \$	<u>2007</u> \$
Cash flows from operating activities			
Receipts from grants, membership fees and other income		442,396	352,283
Payment to suppliers and employees		(378,367)	(325,806)
Interest received		3,277	1,014
Net cash provided by operating activities	8(b)	<u>67,306</u>	<u>27,491</u>
Cash flows from investing activities			
Payment for property, plant and equipment		(117)	(3,649)
Net cash used in investing activities		<u>(117)</u>	<u>(3,649)</u>
Net increase in cash and cash equivalents		67,189	23,842
Cash and cash equivalents at the beginning of the year		<u>60,270</u>	<u>36,428</u>
Cash and cash equivalents at the end of the year	8(a)	<u>127,459</u>	<u>60,270</u>

Notes to the financial statements are included on pages 9 to 14.

Note 1: Statement of Significant Accounting Policies

Financial reporting framework

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

Statement of compliance

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

AASB 1031	Materiality
AASB 110	Events after the Balance Sheet Date
AASB 136	Impairment of Assets
AASB 117	Leases
AASB 107	Cash Flow Statements
AASB 119	Employee Benefits
AASB 101	Presentation of Financial Statements
AASB 116	Property, Plant and Equipment
AASB 1004	Contributions
AASB 108	Accounting Policies, Changes in Accounting Estimates and Errors

No other applicable Accounting Standards, Interpretations or other authoritative pronouncements of the Australian Accounting Standards Boards have been applied.

Basis of preparation

The financial report has been prepared on an accruals basis and is based on historic costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has applied. All amounts are presented in Australian dollars, unless otherwise noted.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the association's accounting policies, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgement. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following significant accounting policies have been adopted by the association in the preparation and presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Income tax

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

Note 1: Statement of Significant Accounting Policies (cont'd)

(b) Plant and equipment

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

Depreciation

The depreciable amount of all fixed assets are depreciated on a straight-line basis over their useful lives to the association commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of fixed asset	Depreciation rates	Depreciation basis
Plant and equipment	25%	Straight Line

(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 by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated 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 for 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 benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

(e) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

Note 1: Statement of Significant Accounting Policies (cont'd)

(f) Revenue

Revenue from membership fees and sponsorships are recognised upon receipt.

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

All revenue is stated net of the amount of goods and services tax (GST).

(h) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. 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 in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a net basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(i) Comparative figures

Comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by accounting standards or as a result of changes in accounting policy.

(j) Adoption of new and revised Accounting Standards

In the current year, the economic entity has adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period.

At the date of authorisation of the financial report, the directors anticipate that the adoption of Standards and Interpretations that were issued but not yet effective will have no material financial impact on the financial statements of the economic entity.

The Melbourne Press Club Incorporated
Notes to the financial statements

	2008	2007
	\$	\$
Note 2: Revenue		
Operating activities		
Subscriptions/Membership fees	23,327	17,378
Functions	74,843	77,247
Sponsorships and grants	255,455	230,000
Quill awards	62,146	48,960
Conference	-	4,310
Rebanking credit card errors	-	25
Bank interest	3,277	1,014
Other income	1,014	133
	420,062	379,067
Note 3: Trade and other receivables		
Trade receivables	159	25,770
	159	25,770
Note 4: Plant and equipment		
Plant & equipment at cost	3,766	3,649
Less accumulated depreciation	(1,417)	(505)
	2,349	3,144
Note 5: Trade and other payables		
Sundry payables and accrued expenses	-	386
GST payable	1,573	874
PAYG payable	7,035	5,762
	8,608	7,022
Note 6: Provisions		
Employee benefits	14,285	16,964
	14,285	16,964
Note 7: Accumulated surplus		
Accumulated surplus at the beginning of the year	72,363	12,017
Surplus from ordinary activities	81,585	60,346
Accumulated surplus at the end of the year	153,948	72,363

	2008	2007
	\$	\$

Note 8: Notes to the cash flow statement (cont'd)

(a) Reconciliation of cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:

Cash on hand	-	250
Cash at bank	127,459	60,020
	<u>127,459</u>	<u>60,270</u>

(b) Reconciliation of surplus for the year to net cash flows from operating activities

Surplus for the year	81,585	60,346
<i>Non-cash flows in profit from ordinary activities</i>		
Depreciation	912	505

Changes in net assets and liabilities:

(Increase)/decrease in assets:

Trade and other receivables	25,611	(25,770)
Prepayments	(39,709)	(5,691)

Increase/(decrease) in liabilities

Trade and other payables	1,586	(7,358)
Provisions	(2,679)	5,459
Net cash from operating activities	<u>67,306</u>	<u>27,491</u>

Note 9: Economic dependence

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:

John Trevorrow (Herald Sun): President
Peter Bartlett (Minter Ellison): Vice President
Bob Kearsley (Business Essentials): Vice President
David Poulton (Minter Ellison): Treasurer
Sue Henderson: Secretary

Bill Birnbauer (Monash University)
Sylvia Bradshaw (Leader Community Newspapers)
Genevieve Brammall (Herald Sun)
Rob Curtain (3AW)
Sushi Das (The Age)
Michele Fonseca (ABC TV)
David Jones (RACV)
Richard Leder (Corrs Chambers Westgarth)
Keith Moor (Herald Sun)
Justin Quill (Kelly Hazell Quill)
John Rees (Connex)
Michael Smith (Inside PR)
Andrew Lund (Seven Network)
Ian Henderson (ABC TV)
Michael Venus (Nine Network)

Committee Member's Remuneration

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

Note 11: Segment reporting

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

Note 12: Association details

The principal place of business of the association is:

c/- Minter Ellison
Level 23, South Tower
Rialto Building
525 Collins Street
Melbourne VIC 3000