Corporate Information

Patron
Sir Gustav Nossal AC CBE

Council
President: Lady Southey, AM
Vice President: Ms Dur-e Dara, OAM
Treasurer: Prof Tom Healy
National Director: Ms Elizabeth Cham
Council Member: Mr Barry Capp
Council Member: Ms Jan Cochrane-Harry
Council Member: Mr Peter McMullin
Council Member: Ms Samantha Meers
Council Member: Mr Royce Pepin (retired April 2004)
Council Member: Dr Noel Purcell
Council Member: Mr David Ward

Secretariat
National Director: Ms Elizabeth Cham
Operations Manager: Mr Charles Brass (contractor)
Executive Assistant: Ms Jackie Purdie
Accountant: Ms Nicola Johnson
Bookkeeper: Ms Cheryl O’Kelly
Research and Information Manager: Ms Louise Arkles
Research and Training Coordinator: Ms Vanessa Meachen
Resource Centre Assistant: Ms Emily Turner
Membership Services Officer: Mr Grant Hooper
Membership Services Officer: Ms Jane Kenny
Community Foundations Development Officer: Mr Andrew Lawson

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Philanthropy Australia's mission is to represent and support the philanthropic sector and influence and engage in public policy which will result in a benefit to its members and society at large.

Philanthropy Australia is the national peak body for the philanthropic sector, representing the interests of grantmaking private, family, corporate and community trusts, foundations and individuals.

Its mission is to represent and support the philanthropic sector and influence and engage in public policy, which will result in a benefit to its members and society at large. It works to improve public understanding and recognition of the relationship between philanthropy and the wellbeing of the community, through the pursuit of goals including servicing and educating members and the broader philanthropic sector, and raising the profile of philanthropy through advocacy and public policy debate.

The organisation is headquartered in Melbourne and also has offices in Sydney.

Membership fees, publication sales, training fees, fee-for-service research services and consultancies fund Philanthropy Australia. It also receives funding from a number of leading trusts and foundations to support its work of promoting Australian philanthropy.

Services include:

- An annual calendar of members’ seminars, presenting national and international speakers and issues in key areas of interest
- Special interest affinity groups, in key grantmaking areas
- Australia’s most comprehensive Resource Centre of philanthropic information
- Pressing Matters in philanthropy, a weekly press clipping service
- Australian Philanthropy, a journal which documents and analyses developments in domestic philanthropy
- Publication of The Australian Directory of Philanthropy and The Australian Directory of Corporate Community Involvement
- Publication of texts designed to meet the information and management needs of the Australian philanthropic sector
- Original research on Australian philanthropy and its environment
- Advocacy – particularly tax advocacy – on behalf of members to Federal and State Governments and other major public and private institutions
- Consultancy services to individuals, families and corporations preparing to establish a charitable trust
- Representation of members on the National Roundtable of Nonprofit Organisations
Highlights 2004

This year was another of membership growth, new member services, and a growing range and diversity of forums to encourage information sharing, networking and partnerships.

**Special Events**

Philanthropy Australia, in partnership with the Felton Bequests’ Committee and ANZ Trustees, welcomed 400 guests to the Great Hall of the National Gallery of Victoria to honour the philanthropy of the late Alfred Felton, and to celebrate the Centenary of the Felton Bequest. The Felton Bequest is one of the oldest and most significant charitable trusts in Victoria, best known for its contribution to the collection of the National Gallery of Victoria, as well as its support for charitable organisations that benefit women and children.

The Early Intervention Affinity Group (EIAG) in Sydney hosted an open meeting that was addressed by Dr Dorothy Scott. Dr Scott inspired the audience to be mindful of sustainability when funding programs. She also spoke about the need for systemic reform of early intervention programs and structures.

A highlight for the Melbourne-based EIAG was the presentations that members received from The Victorian Foundation for the Survivors of Torture and from MacKillop Family Services on the different early intervention services they provide for refugees.

Under the expert guidance of Jean Elder, the Ageing Futures Affinity Group has commenced a comprehensive mapping process that aims to identify where older people fit into our broader society; what their needs are and what issues are relevant to supporting these needs; and what tools philanthropic trusts have available to them that enable them to provide these supports.

The Arts Affinity Group (AAG) continued to alternate their meetings between Sydney and Melbourne. A number of members of this group, under the leadership of Jane Haley from Artsupport Australia, are collaborating to bring a strong arts perspective to Philanthropy Australia’s conference in late 2005.

**Affinity Groups**

An affinity group is a coalition of grantmakers who come together on a regular basis for the purpose of sharing information on a particular area of funding (disability services, arts, children, Indigenous, etc.).

The Indigenous Affinity Group (IAG) in Sydney organised a well attended and informative seminar on Indigenous health.

The Melbourne-based IAG sponsored and supported the publication of the Australian Indigenous Guide to Philanthropy which was launched at a function at the Melbourne Town Hall in mid-September. This useful tool has been distributed free of charge to numerous Indigenous organisations and communities around the country and is being supported by workshops.

Ian Spicer AM, Chair, National Disability Advisory Council discussed with members of the Disability Affinity Group the critical issues identified by Council and outlined various ways in which philanthropy might assist to address them.

... a growing range and diversity of forums to encourage information sharing, networking and partnerships.
Services

Information Services
A weekly email alert service for members, Pressing Matters, was launched in June. Designed to provide a timely summary of articles of relevance to the sector in the press, the service has been well received by members, many of whom regularly request copies of articles.

In March 2004 The Myer Foundation awarded a grant to Philanthropy Australia to advance the development of information services in Philanthropy. The Research and Information Manager attended the inaugural Knowledge Management in Philanthropy meeting in Seattle in March, and has been developing plans for a ‘Knowledge Bank’, a new website for members which will serve as a tool for structured information exchange. Due to be launched in late 2005, the ‘Knowledge Bank’ will form a dynamic collection of resources on philanthropy, organised by subject and covering a variety of formats and sources.

Workshops
A program of workshops was delivered to grantseekers, with customised workshops in high demand. A series of nine workshops was commissioned by The Office for the Status for Women, with plans to repeat the series in 2005.

Members’ Events
A number of events were held during the previous 12 months including:

- Professor Helmut Anheier speaking about creative philanthropy
- Investing for foundations
- No Interest Loans Schemes
- Social capital (ACT)
- Youth philanthropy
- Dr Dorothy Scott speaking about how philanthropy might have the greatest impact (Adelaide)

Networks

Philanthropy Australia has been involved in the establishment of two networks engaging corporate members of Philanthropy Australia. This followed Jane Kenny’s participation in the WINGS (Worldwide Initiative for Grantmaker Support) peer learning event on corporate social responsibility held in Manila.

One network is for professionals who manage corporate social responsibility programs based in Sydney. This network has been set up in collaboration with the CSR manager at Freehills and the Special Project Consultant for the Asia-Pacific Centre for Philanthropy and Social Investment. The group meets quarterly to discuss their work and professional issues. The other, essentially for the same types of professionals, has been established in Melbourne in conjunction with Goldman Sachs JBWere.

The Maimonides Society is a forum where grantmakers meet informally to discuss matters of interest - culture, politics, religion (and even grantmaking). It has been established collaboratively in Melbourne by Philanthropy Australia and the Asia-Pacific Centre for Philanthropy and Social Investment. Speakers have included Philip Adams, Julian Burnside QC, Brian Howe, and Robyn Archer AO.
CEOs of Full Members came together in Melbourne on two occasions during 2004 to meet with their peers and discuss relevant and important issues of philanthropic policy and practice.

Publications
Australian Philanthropy, the journal of Philanthropy Australia, featured the following themes during 2004:
Edition 54 – Youth in Philanthropy
Edition 55 – Philanthropy and the Environment
Edition 56 – Philanthropy in Western Australia

The latter edition was the result of an innovative and exciting partnership between Philanthropy Australia and our largest member in Western Australia, Lotterywest. Additional funding, collaborative editorial decision making and the contribution of writing, photographic and design professionals on both a paid and pro bono basis have created a new standard for the journal which we hope to maintain in the future.


Research
Giving Australia, an initiative of the Prime Minister's Community Business Partnership, is a research project into Australian philanthropy and the fundraising and development capacity of the not-for-profit sector. Led by ACOSST, the research is being conducted by the Philanthropy Research Development Collaboration, comprising leading researchers from QUT and UTS, Roy Morgan Research, McNair Ingenuity Research and the Fundraising Institute of Australia. It will examine all forms of giving for community benefit, and will assist in the establishment of a credible evidence base in order to target messages and initiatives, measure changes, track trends and identify gaps in philanthropic activity by individuals and businesses over the long term.

Advocacy – Policy and Legislative Changes
Community Foundations
In partnership with the Foundation for Rural and Regional Renewal (FRRR), Philanthropy Australia hosted the Fifth Community Foundations Forum in Bendigo, Victoria. This well attended forum was held in early March. Then followed a very busy and productive year of development for the community foundation movement in Australia. New foundations were launched right across the country, including Central Queensland in the north; Northern Rivers, Sydney and Tumut in New South Wales; Stand Like Stone in South Australia; and the Western Australia Community Foundation to cover all of that state.

Outcomes of the project included a practical handbook, seminars for young philanthropists, as well as for older ones interested in working with young people, and some valuable networking between foundations and other organisations who have already introduced youth initiatives.

Planning for the Future
Plans have been well developed for the Second International Philanthropy Conference, A Wealth of Experience, to be held in October 2005. A number of renowned international and national speakers have been secured during discussions throughout 2004, as well as venues, workshops and other components organised.

Membership
In 2004, Philanthropy Australia experienced net membership growth of 13 percent. The vast majority of this growth came in the number of full (i.e. grantmaking) members.

Partnerships
The Youth in Philanthropy project was completed in the first half of 2004. This 12-month project, initiated through a collaborative effort of six organisations, generated a great deal of interest in ways to greater involve young people in philanthropic and community engagement.

Outcomes of the project included a practical handbook, seminars for young philanthropists, as well as for older ones interested in working with young people, and some valuable networking between foundations and other organisations who have already introduced youth initiatives.

The handbook, Youth on Board – 14 Points to Successfully Involving Young People in Decision Making includes case studies, worksheets and handouts to help organisations work through the process of engaging young people.
President’s Report

We are particularly pleased to welcome a number of new Prescribed Private Funds which have flourished since federal legislation has enabled their establishment.

Philanthropy Australia is also experiencing growth outside the traditional base of Victoria, with New South Wales being noteworthy as a source of membership and member activity. I was pleased to be able to launch the special Western Australian edition of our journal, Australian Philanthropy in Perth at the end of the year. Both the journal and the launch proved beyond doubt the vibrancy of the philanthropic community in the west.

Following the success of the first national Philanthropy Australia conference in 2003, planning has intensified for the second, entitled A Wealth of Experience to be held 9-12 October 2005. A large amount of work is required to secure speakers of note, devise an attractive and meaningful program, and communicate with potential participants in sufficient time to ensure success. This has been one area of focus of the organisation throughout 2004.

Philanthropy Australia maintains its valuable representation on the Prime Minister’s Community and Business Partnership. This year, the Partnership commissioned major research examining levels of giving by Australian individuals, families and businesses, as well as the fundraising capacity of the not-for-profit sector. A final report will be launched at the Philanthropy Australia Conference in October, and the information will be of enormous value to our work.

Philanthropy Australia has continued to actively support the National Roundtable for Non-profit Organisations, taking the view that a strong and effective civil society is one of the shared aims of all our members. A constitution has been drafted, and agreement reached on incorporation and categories of membership. With assistance from The Myer Foundation, the Roundtable is developing a website, networked communication and services.

The community foundation movement in Australia has continued to gather momentum, with the ongoing support of Philanthropy Australia in partnership with other bodies, particularly the Foundation for Rural and Regional Renewal. In 2004 we have seen a large number of new community foundations established across the country, with many more at various stages of development.

Once again, we are indebted to our leading members, our sponsors and supporters for their financial and in-kind support. The ANZ Banking Group continues to provide office accommodation in Melbourne, and Mr Brian Sherman has generously accommodated our Sydney-based Membership Services Officer, Jane Kenny. Freehills offers extensive pro bono legal advice and support. Our auditors, McInnes Graham and Gibbs, have again conducted our audit at a greatly reduced rate, and we are particularly grateful to David Gibbs for his advice and support. I once more extend to them all our sincere thanks and appreciation.

I thank the staff of Philanthropy Australia, and in particular Charles Brass, who has come on board as Operations Manager and overseen a substantial review of operations and internal structure which will help forge a new and dynamic operation into the future. Charles has particular ‘carriage’ of our conference in October 2005.

I wish, as always, to thank my fellow Council Members for their time, energy and ideas. They not only continue to serve the sector well through their work for this organisation, but also through leading by example as active and thoughtful philanthropists.

I am delighted to note the continuing growth of Philanthropy Australia’s membership during 2004, not just in volume but in diversity. I believe it is fair to conclude that this trend reflects not just the growth of philanthropy in Australia, but also the relevance of this organisation to a growing number of grantmaking bodies. Our current membership represents the growth of philanthropy in all its different forms, including corporate, community, family and private foundations. We are particularly pleased to welcome a number of new Prescribed Private Funds which have flourished since federal legislation has enabled their establishment.

Lady Southey AM
President
National Director’s Report

At the beginning of 2004, anticipating the 10th anniversary of the establishment of Philanthropy Australia’s full time secretariat in 2004, the President and Council were able to reflect upon 10 years of growth in philanthropy “without historical precedent”, both nationally and internationally. In Australia 248 Prescribed Private Funds have been established since June 2001; in that year giving increased by an unprecedented 16.2 percent, the largest increase in 20 years. Professor Myles McGregor-Lowndes said that most of the increase was due to the tax changes introduced by the government in June 2001, particularly the continuing growth of PPFs.

In that 10 years we have also seen the national growth of infrastructure for the entire sector: the establishment of university courses, departments and centres focusing on philanthropy; journals, newsletters, and extensive media interest in the sector; and most importantly, an awakened understanding of the concept of philanthropy within the community.

In the light of these developments, a report was commissioned in early 2004 to examine how Philanthropy Australia could ensure sustainability for the organisation’s next 10 years. The Council considered and adopted the following as a result of the report:

- A review of the PA Constitution
- Redesign of Australian Philanthropy journal
- Continue to develop an international standard Knowledge Bank for the use of members and, on a more limited basis, for non members. The Knowledge Bank, an information management resource, will be useful for individual grantmakers, but its primary role will be to facilitate collaboration and information exchange for the sector as a whole
- Host the Second International Philanthropy Conference in October 2005 which will examine the important question of “what is the role of philanthropy – family, individual, community, corporate philanthropy – in a modern democracy”?
- Council also considered how an orderly succession could be implemented for Council and senior staff

The use of information management tools, and the recording and sharing of our experiences as a sector, are more vital than ever now as succession becomes an imperative issue. This is a time of great movement within the sector; visionaries such as Dorothy Scott and Charles Lane have moved on to other roles, taking with them the unique experience and knowledge which comes from working within foundations. Research and study of the sector continues to expand, with QUT’s Centre of Philanthropy and Nonprofit Studies making quality research on tax deductible giving publicly available. In August the Centre also launched Dr Diana Leat’s latest publication, The Development of Community Foundations in Australia: Recreating the American Dream.

Throughout 2004, foundations and their work with the non-profit sector continued to be exciting and inspirational; some foundations, such as The William Buckland Foundation, are starting to explore the question which will be the focus of our 2005 Conference - what is the role of a foundation/philanthropy in a modern democracy? There are indications that the nature of the sector is shifting; the large number of annual reports now available in the sector show that most leading members have seen the benefit of greater transparency.

Recognition for the work of Australian foundations was found in a number of publications; the truly global nature of foundation innovation is shown in such examples as Jared Diamond’s recent book Collapse: How Societies Choose to Fail or Survive, which lauds the work of The Ian Potter Foundation in developing Landcare and recognises the key work done by Patricia Felman AM as Secretary.

The global importance of philanthropy was also emphasised by international speakers this year; Professor Helmut Anheier gave a very thought provoking and interesting address on ‘Creative Philanthropy’ in both Sydney and Melbourne, which was well attended by members. Professor Marcos Kissil from Brazil’s Institute for Development and Social Investment also provided an interesting perspective on the development of new forms of philanthropy and social investment.

Special thanks to Gene and Brian Sherman AM for their ongoing long term commitment to Philanthropy Australia by providing accommodation in Sydney for Jane Kenny; their philanthropy in providing this infrastructure has enabled Philanthropy Australia to provide a vital service to the diverse Sydney membership and increase NSW membership by over 30 percent for the second successive year. Thank you also to the rest of our hardworking staff, whose dedication, vision and enthusiasm have once again exceeded expectations.

Many thanks are also due to the hard working Council, especially for the leadership of President, Lady Southey, whose support for all staff is greatly appreciated, and Treasurer, Tom Healy, who has nurtured the organisation and its finances.

Elizabeth Cham
National Director
President
Lady Southey AM
Lady Southey is a Director of The Myer Foundation and President of St Catherine's School Foundation. A supporter of Orchestra Victoria and supporter and Honorary Life Member of the Australian Ballet, Life Member of the Nuffield Farming Scholars Association, and a major supporter of Birds Australia. Lady Southey was awarded an AM in 1999 for her service to the community in the support of health care, medical research and the arts. In January 2001, she was appointed Lieutenant Governor of Victoria.

Vice President
Ms Dur-e Dara OAM
Dur-e Dara is a Melbourne restaurateur, businesswoman and musician. For some 20 years she was well known as Manager and co-owner of the award-winning Stephanie’s Restaurant. She is the founding partner in The Nudel Bar and the proprietor of EQ Cafebar at the Victorian Arts Centre. Dur-e Dara is currently President of the Restaurant and Catering Association of Victoria and Convenor of the Victorian Women’s Trust. In 1997, she was awarded the Medal of the Order of Australia for services to the community and promotional fundraising activities for women’s groups.

Treasurer
Professor Tom Healy
Tom Healy has held appointments at the University of Melbourne as Professor of Physical Chemistry, Dean of Science, President of the Academic Board, and Pro Vice Chancellor. He is currently Deputy Director of the Particulate Fluids Processing Centre in the Department of Chemical and Biomolecular Engineering at the University of Melbourne. In 1999, he was appointed Professor Emeritus and awarded the Wark Medal of the Australian Academy for Science and an Honorary D.Sc from the University of Melbourne for contributions to Science and Technology. He has been a Governor of The Ian Potter Foundation since 1990.

National Director
Ms Elizabeth Cham
Elizabeth Cham has for over 10 years been the National Director of Philanthropy Australia, which is the national peak body for Australian grantmakers. Philanthropy Australia’s members include the most prominent private and corporate philanthropists in the country, and collectively give over a billion dollars a year to the Australian community.

Elizabeth is currently a member of the Prime Minister’s Roundtable on Business and Community Partnerships, advisor and founding member of the International Meeting of Associations Serving Grantmakers and a key driving force behind the National Non-profit Roundtable with Robert Fitzgerald.

Elizabeth has had an interesting and varied life. She was born in Germany of Polish parents, arrived in Australia in 1950 and grew up in Bonegilla and Ballarat. She describes herself as a historian. She is married and a parent to three boys.

Prior to joining Philanthropy Australia, she was Manager of Research at ANZ Trustees, but she has also been an academic teaching Australian politics, as well as working for different Prime Ministers and Premiers.

Mr Barry Capp
Barry Capp BE (Civil), BCom, BA is Chairman of Delhi Holdings Limited and Director of Australian Infrastructure Fund Limited, Melbourne University Private Limited and Hellaby Holdings Limited. He is currently Chairman of Trustees of The William Buckland Foundation, the Westpac Foundation, and of Trinity College Board of Management at the University of Melbourne.
Ms Sam Meers
Sam Meers is the Executive Director of The Nelson Meers Foundation, an arts foundation established in July 2001 with her father, Nelson Meers, a former Lord Mayor of Sydney. The Nelson Meers Foundation was the first “prescribed private fund” to commence operation in Australia. Sam is also on the board of the Belvoir Theatre.

Before establishing the Nelson Meers Foundation, Sam practised as a media lawyer in two of Sydney’s leading law firms and as in-house counsel with Grundy Television. Sam then spent six years as a Director with SHOWTIME, a joint venture between four major Hollywood studios, during which time she was a founding board member and deputy Chair of the Australian Subscription Television and Radio Association (ASTRA), the peak industry body representing the pay television industry in Australia. Sam holds degrees in Arts and Law and a Master of Letters degree in literature.

Ms Jan Cochrane-Harry
Ms Cochrane-Harry is Director and principal consultant of Cochrane Harry Pty Ltd and was previously Head of Philanthropic Foundations at Perpetual Trustees Australia Ltd for five years. She is a trustee of the Margaret Lawrence Foundation and the Greenlight Foundation, and a member of the Transurban Corporate Social Responsibility Committee, the VCA Arts Management Committee, the Rotary Club of Melbourne and the Old Treasury Building Committee of Management. She has extensive experience in management in the community, public and private sectors and holds an MBA from Melbourne Business School. Ms Cochrane-Harry has held numerous honorary positions with community-based groups.

Mr Peter McMullin
Peter is currently a City of Greater Geelong Councillor and a Senior Consultant with Home Wilkinson Lowry Lawyers in Melbourne, and a former Deputy Lord Mayor of Melbourne. He is Deputy President of the Museums Board of Victoria and Chairs the Immigration Museum Advisory Committee. He is Chair of the Melbourne International Comedy Festival, and is a Board Member with the Education Foundation, the Victorian Curriculum and Assessment Authority, the Victorian Employers Chamber of Commerce and Industry, the Melbourne Community Foundation, and Turning Point.

Mr David Ward
David is Managing Director of ANZ Trustees.

He has 17 years’ service with ANZ Banking Group, including positions of Chief Economist (NZ); General Manager Investor Relations; General Manager Office of the Chief Executive; General Manager Wealth Management. Previously he had seven years’ service as a diplomat with the New Zealand Ministry of Foreign Affairs, dealing with Economic, Trade, Defence and Aid issues and serving in Wellington, Canberra and Fiji.

ANZ Trustees provides a full range of personal Trustee services to 2,300 clients in all mainland states and has over $1.7 billion funds under advice. It is the leader in Charitable Trusts with around 400 and over $700 million charitable funds under advice. ANZ Trustees is sole or co-trustee for several of Australia’s leading Foundations including The Alfred Felton Bequest, The Charles and Sylvia Viertel Charitable Foundation, The William Buckland Foundation, Alexander Wright Wales Trust, and The J.O & J. R. Wicking Trust.

Dr Noel Purcell
Noel Purcell has served as a senior executive of Westpac since February 1986 in a variety of roles. He is currently the Group General Manager, Stakeholder Communications, with responsibility for all media, government, investor and community relations, as well as the Westpac Group corporate sustainability and internal communication. Prior to joining Westpac, Noel served at senior executive level within the Federal Public Service including: Assistant Secretary, Fiscal Policy Branch, Department of Prime Minister and Cabinet, 1984 to 1985; Senior Economic Analyst of the Office of National Assessments, 1983 to 1984; and Director, Statistical Services Branch and other senior positions at the Australian Bureau of Statistics, 1972 to 1983.

Noel recently joined the Global Governing Board of the CAUX Round Table.
Philanthropy Australia’s operating surplus for the year was above budget expectations at $14,967.

Financial Plan and Operating Results
Philanthropy Australia’s operating surplus for the year was above budget expectations at $14,967 (2003: $114,891). Both income and expenses were below what was expected for the 12 months. A concerted effort was made to reduce costs.

Income
Total income for the year was $1,111,446, down $215,075 (16.2 percent) on last year.

Members’ fees increased, (by 27.22 percent, up from $284,864 to $362,422), as a consequence of increased member fees across all categories, and increased membership numbers from 230 in December 2003 to 259 in December 2004 showing a 12.6 percent increase.

Workshop fees decreased (by 15.22 percent, down from $43,550 to $36,923) resulting from the cancellation of workshops in the second half of the year due to low registration numbers.

Directory sales were higher than in 2003, (by 57.57 percent, up from $79,912 to $125,915). Sales were higher as the 12th edition of The Australian Directory of Philanthropy was released in February 2004.

Other publication sales decreased (by 29 percent, down from $45,970 to $32,637) resulting from the slow down in sales for the second year of The Australian Directory of Corporate Community Involvement.

Grants brought to account during the year amounted to $250,402, a decrease from $446,617 (43.93 percent). Of the grants brought to account during the year, 35.86 percent or $89,788 was specifically for work undertaken in the Community Foundations area, 18.13 percent or $45,403 was for work undertaken in the resource centre area (including specialised workshops), the remainder (46.01 percent or $115,211) was spread over areas including memberships, journal publication, advocacy and the National Roundtable of Nonprofit Organisations.

A net decrease of $122,393 or 45 percent was recorded in all other sources of income. This large variation mainly relates to other income. Income earned for the Philanthropy Australia conference held in March 2003 was not repeated in 2004.

Expenses
Total expenses decreased by $115,151 (9.50 percent) compared to last year.

Changes in inventories of publications held for resale increased by $32,096 ($64 percent) compared to last year. The release of the 12th edition of The Australian Directory of Philanthropy in late January 2004 contributed to the large increase in sales and hence costs. Distribution costs also increased as a result of this release.

Salary costs were 16.46 percent lower than 2003 (down from $631,601 to $527,656) as a result of not employing a permanent full time general manager.

Depreciation costs were lower due assets being fully depreciated in 2003.

Consultant’s costs were 23.82 percent higher than 2003 due to the engagement of consultants to fulfil grant requirements and the employment of the operations manager to oversee the organisation’s operations.

Membership costs were 79.82 percent higher than in 2004 (up from $23,377 to $42,037). An additional full colour journal was published in 2004. Issue 56, a special Western Australian edition, was fully funded by a grant received from Lotterywest.

Other expenses including promotion and travel were lower in 2004 as the 2003 figures included costs relating to the conference held in March 2003.

Final Operating Result
The final result for 2004 was a surplus of $14,967, compared to a surplus of $114,891 achieved in the previous year. This was a 411.32 percent increase on the budgeted surplus of $2,927.

Financial Position and Liquidity
The general Fund Account, representing accumulated members’ funds, rose from $166,591 at the end of the last financial year, to $181,558 at year end, though the retention of the year’s net surplus of $14,967.

The Future
Philanthropy Australia looks forward to an exciting future encompassing statutory changes for the organisation, and plans to improve our sustainability well into the future.
## Statement of Financial Performance

For the year ended 31 December 2004

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<td>Revenue from ordinary activities</td>
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<td>Changes in inventories of publications held for resale</td>
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**Surplus/(deficit) from ordinary activities before income tax expense**

| 8 | 14,967 | 114,891 |

**Income tax expense relating to ordinary activities**

| 1 | - | - |

**Net surplus/(deficit) from ordinary activities after income tax expense attributable to the association**

| 8 | 14,967 | 114,891 |

**Total changes in equity of the association**

| 14,967 | 114,891 |

Notes to the statement of financial performance are at pages 14 to 20.
# Statement of Financial Position

As at 31 December 2004

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<tr>
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<th>2004</th>
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<td><strong>Non-Current Assets</strong></td>
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<td>Property, plant and equipment</td>
<td>5</td>
<td>5,793</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>5,793</strong></td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td></td>
<td><strong>568,806</strong></td>
</tr>
<tr>
<td><strong>Current Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payables</td>
<td>6</td>
<td>86,309</td>
</tr>
<tr>
<td>Subscriptions received in advance:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Members</td>
<td></td>
<td>99,132</td>
</tr>
<tr>
<td>Grants and other income received in advance</td>
<td></td>
<td>147,781</td>
</tr>
<tr>
<td>Provisions</td>
<td>7</td>
<td>54,026</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>387,248</strong></td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td></td>
<td><strong>181,558</strong></td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retained surplus</td>
<td>8</td>
<td>181,558</td>
</tr>
<tr>
<td><strong>Total Equity</strong></td>
<td></td>
<td><strong>181,558</strong></td>
</tr>
</tbody>
</table>

Notes to the statement of financial position are at pages 14 to 20.
Statement of Cash Flows
For the year ended 31 December 2004

<table>
<thead>
<tr>
<th>Note</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Inflows (Outflows)</td>
<td>Inflows (Outflows)</td>
<td></td>
</tr>
<tr>
<td>Receipts from members</td>
<td>533,333</td>
<td>397,872</td>
</tr>
<tr>
<td>Receipt from sales of publications</td>
<td>301,034</td>
<td>470,145</td>
</tr>
<tr>
<td>Grants received</td>
<td>354,320</td>
<td>313,511</td>
</tr>
<tr>
<td>Interest received</td>
<td>17,157</td>
<td>14,772</td>
</tr>
<tr>
<td>Payments to suppliers and employees</td>
<td>(1,111,380)</td>
<td>(1,218,023)</td>
</tr>
<tr>
<td>Net cash provided by operating activities</td>
<td>12b</td>
<td>94,464</td>
</tr>
<tr>
<td>Cash flows from investing activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of office equipment</td>
<td>(2,449)</td>
<td>(5,653)</td>
</tr>
<tr>
<td>Net cash used in financing activities</td>
<td>(2,449)</td>
<td>(5,653)</td>
</tr>
<tr>
<td>Net increase in cash held</td>
<td>92,015</td>
<td>(27,376)</td>
</tr>
<tr>
<td>Cash at the beginning of the year</td>
<td>307,469</td>
<td>334,845</td>
</tr>
<tr>
<td>Cash at the end of the year</td>
<td>12a</td>
<td>399,484</td>
</tr>
</tbody>
</table>

Notes to the statement of cash flows are at pages 14 to 20.
NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of Australian Accounting Standards Board and the requirements of the Associations Incorporations Act Victoria. The financial report is prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the material accounting policies adopted by the association in the preparation of the financial report:

(a) Revenue
Revenue from the sale of goods is recognised upon delivery of goods to customers.
Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.
Revenue from Full, Associate and Resource Centre members is recognised when invoiced. When the payment is received, the portion paid in advance is accounted for as unearned income and amortised over the remainder of the subscription year.
Revenue from Leading Members fees are treated as grants received and brought to account as income when invoiced.

(b) Income tax
The association is income tax exempt charitable entity under subsection 50B of the ITAA 1997.

(c) Inventories
Inventories consist of finished goods being publications and are measured at the lower of cost and net realisable value. Costs are assigned on a specific identification basis and include direct costs and appropriate overheads, if any.

(d) Furniture and equipment
The depreciation rates amount of all furniture and equipment are depreciated on a straight line basis over useful lives of the assets to the association commencing from the time the asset is held ready for use.

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

<table>
<thead>
<tr>
<th>Asset Type</th>
<th>Depreciation Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Furniture and Fixtures</td>
<td>30 percent</td>
</tr>
<tr>
<td>Office Equipment</td>
<td>30 percent</td>
</tr>
</tbody>
</table>

The carrying amount of furniture and equipment is reviewed annually by councillors to ensure it is not in excess of the recoverable amount of those assets.

The recoverable amount is assessed on the basis of expected net cash flows which will be received from the assets’ employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining the recoverable amounts.
NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

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

(f) Employee entitlements
Provision is made for the company’s liability for the 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 rate. Other employee entitlements payable later than one year have been measured at the present value of estimated future cash outflows to be made for those entitlements.

Contributions are made by the association to an employee superannuation fund and are charged as expenses when incurred.

(g) Cash
For the purposes of the statement of cash flows, cash includes cash on hand, at banks, on deposit, and bank bills.

(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 Tax Office (“ATO”). In these circumstances the GST is recognised as part of the cost of the acquisition of the asset or as part of an item of expense. Receivables and payables are stated with the amount of GST included.

The net amount of the GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position. Cash flows are included in the statement of cash flows on a gross basis.
### 2(a). REVENUE

<table>
<thead>
<tr>
<th>Service</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leading members fees</td>
<td>150,000</td>
<td>150,000</td>
</tr>
<tr>
<td>Full members fees</td>
<td>288,489</td>
<td>231,264</td>
</tr>
<tr>
<td>Associate members fees</td>
<td>73,933</td>
<td>53,600</td>
</tr>
<tr>
<td>Resource centre subscriptions</td>
<td>18,875</td>
<td>23,667</td>
</tr>
<tr>
<td>Workshop fees</td>
<td>36,922</td>
<td>43,550</td>
</tr>
<tr>
<td>Publication sales</td>
<td>158,552</td>
<td>125,883</td>
</tr>
<tr>
<td>Journal subscriptions</td>
<td>3,810</td>
<td>3,889</td>
</tr>
<tr>
<td>Grants</td>
<td>250,402</td>
<td>446,618</td>
</tr>
<tr>
<td>Consulting fees</td>
<td>77,250</td>
<td>71,445</td>
</tr>
<tr>
<td>Conference income</td>
<td>-</td>
<td>161,833</td>
</tr>
<tr>
<td>Other</td>
<td>53,213</td>
<td>14,772</td>
</tr>
</tbody>
</table>

Total Revenue: 1,111,446

Revenue from Leading Members fees are treated as grants received and brought to account as income in the year it is due.

### 2(b). EXPENSES

<table>
<thead>
<tr>
<th>Expense</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auditors remuneration</td>
<td>4,000</td>
<td>4,000</td>
</tr>
</tbody>
</table>

### 3. CASH ASSETS

<table>
<thead>
<tr>
<th>Cash Asset</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash on hand</td>
<td>443</td>
<td>246</td>
</tr>
<tr>
<td>Cash at bank</td>
<td>131,847</td>
<td>37,620</td>
</tr>
<tr>
<td>Cash on deposit</td>
<td>267,194</td>
<td>269,603</td>
</tr>
<tr>
<td>Bank bills</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Total Cash Assets: 399,484

### 4. RECEIVABLES

<table>
<thead>
<tr>
<th>Receivable</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade debtors</td>
<td>78,853</td>
<td>49,091</td>
</tr>
<tr>
<td>Sundry debtors</td>
<td>921</td>
<td>730</td>
</tr>
<tr>
<td>Provision for doubtful debts</td>
<td>(200)</td>
<td>(200)</td>
</tr>
</tbody>
</table>

Total Receivables: 79,574
### 5. PROPERTY, PLANT AND EQUIPMENT

<table>
<thead>
<tr>
<th></th>
<th>Office furniture</th>
<th>Office equipment</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gross carrying amount</strong></td>
<td>$13,900</td>
<td>$72,532</td>
<td>$86,432</td>
</tr>
<tr>
<td>Balance at 31 December 2003</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
<td>$2,449</td>
<td>$2,449</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Balance at 31 December 2004</td>
<td>$13,900</td>
<td>$74,981</td>
<td>$88,881</td>
</tr>
<tr>
<td><strong>Accumulated depreciation</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at 31 December 2003</td>
<td>$(13,354)</td>
<td>$(62,880)</td>
<td>$(76,234)</td>
</tr>
<tr>
<td>Depreciation expense</td>
<td>$(252)</td>
<td>$(6,602)</td>
<td>$(6,854)</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Balance at 31 December 2004</td>
<td>$(13,606)</td>
<td>$(69,482)</td>
<td>$(83,088)</td>
</tr>
<tr>
<td><strong>Net book value</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>As at 31 December 2003</td>
<td>$546</td>
<td>$9,652</td>
<td>$10,198</td>
</tr>
<tr>
<td>As at 31 December 2004</td>
<td>$294</td>
<td>$5,499</td>
<td>$5,793</td>
</tr>
</tbody>
</table>

### 6. PAYABLES

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creditors</td>
<td>$48,359</td>
<td>7,083</td>
</tr>
<tr>
<td>Accruals</td>
<td>$17,220</td>
<td>28,517</td>
</tr>
<tr>
<td>Others</td>
<td>$20,730</td>
<td>26,856</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$86,309</td>
<td>62,456</td>
</tr>
</tbody>
</table>

### 7. PROVISIONS

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision for annual leave</td>
<td>$30,880</td>
<td>32,960</td>
</tr>
<tr>
<td>Provision for long service leave</td>
<td>$23,146</td>
<td>17,713</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$54,026</td>
<td>50,673</td>
</tr>
</tbody>
</table>

### 8. RETAINED SURPLUS

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retained surplus/(deficit) at the beginning of Financial Year</td>
<td>$166,591</td>
<td>51,700</td>
</tr>
<tr>
<td>Net surplus/(deficit) attributable to the association</td>
<td>$14,967</td>
<td>114,891</td>
</tr>
<tr>
<td>Retained surplus/(deficit) at the end of Financial Year</td>
<td>$181,558</td>
<td>166,591</td>
</tr>
</tbody>
</table>
9. LEASING COMMITMENTS

Operating Lease Commitments
Being for rent of office
Payable:
not later than one year 65,000 65,000
later than one year but not later than five years 43,333 108,333
later than five years - -

108,333 173,333

Rent payable is supported by the generous inkind donation of the ANZ Bank. As yet an invoice has not been received.

10. RELATED PARTIES

The following persons held office as councillors of the state Executive Committee for 12 month period ending 31 December 2004.

Lady Marigold Southey AM  Ms Samantha Meers
Ms Dur-e Dara OAM  Ms Jan Cochrane-Harry
Prof Tom Healy  Mr Peter McMullin
Ms Elizabeth Cham  Dr Noel Purcell
Mr Barry Capp  Mr David Ward

Renumeration of councillors

<table>
<thead>
<tr>
<th>Income bands</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0 - $10,000</td>
<td>10</td>
<td>-</td>
</tr>
<tr>
<td>$100,000 - $110,000</td>
<td>1</td>
<td>107,645</td>
</tr>
<tr>
<td>Total</td>
<td>11</td>
<td>107,645</td>
</tr>
</tbody>
</table>

Other related party transactions

No payments were received by councillors or their related parties for services provided to the association for the 12 months ended 31 December 2004. No amounts are owed to or by these related parties as at 31 December 2004.

11. SEGMENT REPORTING

The association operates in the not for profit sector for the advancement of Philanthropy in Australia.
12. CASH FLOW INFORMATION

(a) Reconciliation of cash
For the purpose of the statement of cash flows, cash includes cash on hand and in banks and investments in money market deposits. Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

<table>
<thead>
<tr>
<th>Item</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash on hand</td>
<td>443</td>
<td>246</td>
</tr>
<tr>
<td>Cash at bank</td>
<td>131,847</td>
<td>37,620</td>
</tr>
<tr>
<td>Bank bills</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Term deposit</td>
<td>267,194</td>
<td>269,603</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>399,484</td>
<td>307,469</td>
</tr>
</tbody>
</table>

(b) Reconciliation of net cash provided by operating activities to the operating surplus/(deficit)

<table>
<thead>
<tr>
<th>Item</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating surplus/(deficit)</td>
<td>14,967</td>
<td>114,891</td>
</tr>
<tr>
<td>Depreciation</td>
<td>6,854</td>
<td>19,523</td>
</tr>
<tr>
<td>Decrease (increase) in receivables</td>
<td>(29,953)</td>
<td>125,287</td>
</tr>
<tr>
<td>Decrease (increase) in inventory</td>
<td>5,698</td>
<td>(21,403)</td>
</tr>
<tr>
<td>Decrease (increase) in prepayments</td>
<td>(54,659)</td>
<td>2,075</td>
</tr>
<tr>
<td>Increase (decrease) in accounts payable</td>
<td>23,853</td>
<td>(104,957)</td>
</tr>
<tr>
<td>Increase (decrease) in advance membership fees</td>
<td>20,911</td>
<td>(36,992)</td>
</tr>
<tr>
<td>Increase (decrease) in unearned income</td>
<td>103,440</td>
<td>(131,859)</td>
</tr>
<tr>
<td>Increase (decrease) in provision for employee entitlements</td>
<td>3,353</td>
<td>11,712</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>94,464</td>
<td>(21,723)</td>
</tr>
</tbody>
</table>

(c) The association has no credit stand-by or financing facilities in place
13. FINANCIAL INSTRUMENTS

(a) Interest Rate Risk
The association’s exposure to interest rate risk that a financial instrument’s value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

<table>
<thead>
<tr>
<th>Weighted average effective interest rate</th>
<th>Floating interest rate</th>
<th>Fixed interest rate maturing</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>3.17</td>
<td>3.17</td>
<td>132,290</td>
</tr>
<tr>
<td>Short term</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Deposits</td>
<td>4.67</td>
<td>4.67</td>
<td>267,194</td>
</tr>
<tr>
<td>Bank bills</td>
<td>4.50</td>
<td>4.50</td>
<td>-</td>
</tr>
<tr>
<td>Debtors</td>
<td>0.00</td>
<td>0.00</td>
<td>79,574</td>
</tr>
<tr>
<td>Total financial assets</td>
<td>479,058</td>
<td>443,960</td>
<td>-</td>
</tr>
<tr>
<td>Financial liabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Creditors</td>
<td>0.00</td>
<td>0.00</td>
<td>48,359</td>
</tr>
<tr>
<td>Income in advance</td>
<td>0.00</td>
<td>0.00</td>
<td>246,913</td>
</tr>
<tr>
<td>Total financial liabilities</td>
<td>295,272</td>
<td>266,271</td>
<td>-</td>
</tr>
</tbody>
</table>

(b) Credit risk
The maximum exposure to credit risk, excluding the value of any collateral or other security at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the balance sheet and notes to the financial statements.

The association does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the association.

(c) Net fair values
Methods and assumptions used in determining net fair value.

The net fair values of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For other assets and other liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments. Financial assets where the carrying amount exceeds net fair values have not been written down as the economic entity intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and liabilities are disclosed in the balance sheet and in the notes to the financial statements.
In the opinion of the committee the financial report as set out on pages 11 to 20:

1. Presents fairly the financial position of Philanthropy Australia Inc. as at 31 December 2004 and its performance and cash flows for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.

2. At the date of this statement, there are reasonable grounds to believe that Philanthropy Australia 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 Council and is signed for and behalf of the council by:

Marigold Southey AM  
President

Professor Tom Healy  
Treasurer

Dated: 16 February 2005  
Location: Melbourne
Independent Audit Report

Independent audit report to members of Philanthropy Australia Inc.

Scope

The financial report and Members of Council’s responsibility

The financial report comprises the Statement of Financial Position, Statement of Financial Performance and Statement of Cash Flows, accompanying notes to the financial statements, and the Statement by Members of the Council of Philanthropy Australia Inc, for the year ended 31 December 2004. The Members of the Council of Philanthropy Australia Inc are responsible for the preparation and true and fair presentation of the financial report in accordance with the Associations Incorporation Act (Vic) 1981. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We conducted an independent audit in order to express an opinion to the members of the Philanthropy Australia Inc. Our audit was conducted in accordance with Australian Auditing and Assurance Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal controls, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of Philanthropy Australia Inc’s financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and

- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Members of the Council.

While we considered the effectiveness of management’s internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls. Our audit did not involve an analysis of the prudence of business decisions made by management or the Members of the Council.
McInnes Graham & Gibbs
Chartered Accountants

Independence
In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit Opinion
In our opinion, the financial report presents a true and fair view, in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia, the financial position of Philanthropy Australia Inc as at 31 December 2004 and the results of its operations and its cash flows for the year then ended.

McInnes Graham & Gibbs
Chartered Accountants

February 2005
Members of Philanthropy Australia
Current for 31 December 2004

**Life Members**
- Ben Bodna AM
- Patricia Feilman AM
- Dame Elisabeth Murdoch AC DBE
- Jill Reichstein OAM
- The Stegley Foundation
- Meriel Wilmot

**Leading Members**
- ANZ
- The Atlantic Philanthropies
- Colonial Foundation
- The Ian Potter Foundation
- The Jack Brockhoff Foundation
- The Myer Foundation
- The William Buckland Foundation

**Full Members**
- A.L. Lane Foundation
- AMP Foundation
- Alcohol Education & Rehabilitation Foundation
- The Alfred Felton Bequest
- Alfred Thomas Bellord Charitable Trust
- The Andrews Foundation
- A. Angelatos
- Annamila Pty Ltd
- ANZ Executors & Trustee Co
- ANZ Staff Foundation
- Australia Business Arts Foundation
- Australia Council
- Australia Post
- The Australian Elizabethan Theatre Trust
- AXA Australia
- B B Hutchings Bequest
- The Ballarat Foundation
- D. & S. Bardas
- Besen Family Foundation
- BHP Billiton Community Trust
- Bill & Jean Henson Trust
- The Body Shop
- Boeing Australia Holdings
- Bokhara Foundation
- Brecorp Foundation
- Buderim Foundation
- CAF Australia
- The Caledonia Foundation
- The Calvert-J ones Foundation
- Carleton Family Charitable Trust
- Capital Region Community Foundation
- The CASS Foundation
- Charles Bateman Charitable Trust
- Clayton Utz
- Colonial Foundation
- Commonwealth Bank Foundation
- Community Enterprise Foundation
- The Dafydd Lewis Trust
- The Danks Trust
- Diana Elizabeth Browne Trust
- Dymocks Literacy Foundation
- E B Myer Charitable Fund
- Education Foundation
- Edward Corbould Charitable Distributions
- Enid Irwin Charitable Trust
- Equally Trustees
- The Ern Hartley Foundation
- Ernest Lonsdale Brown Trust
- Ethel Herman Charitable Trust
- The F. R. Neville Smith Foundation
- The Felman Foundation
- The Flora & Frank Leith Charitable Trust
- The Fogarty Foundation
- Foster's Group
- The Foundation for Young Australians
- Foundation for Rural & Regional Renewal
- M. & M. Freake
- Freehills
- The GM & E J ones Foundation
- Gandel Charitable Trust
- Geelong Community Foundation
- Geoffrey Gardiner Dairy Foundation
- George Alexander Foundation
- Goldman Sachs J BWere Foundation
- Gonski Foundation
- Graincorp Foundation
- The Grosvenor Settlement
- The Guaitiero Vaccari Foundation
- G. Handbury OAM
- Harold Mitchell Foundation
- Helen Lempriere Bequest
- Helen Macpherson Smith Trust
- Hewlett Packard Australia
- H V McKay Charitable Trust
- The Hugh Williamson Foundation
- Hunter Hall International
- The Ian Potter Foundation
- Ilhan Foundation
- The Invergowrie Foundation
- The Jack Brockhoff Foundation
- James Simpson Love Trust
- J LF Group of Companies
- John Christopher Pascoe Memorial Charitable Trust
- John William Fleming Trust
- The Keir Foundation
- Kingston Sedgefield (Australia) Charitable Trust
- L G & J E Brown Charitable Trust Fund
- Law & Justice Foundation of NSW
- Ledger Charitable Trust
- LEW Carty Charitable Fund
- Lion Fund
- Lord Mayor's Charitable Fund
- Lotterywest
- Macquarie Bank Foundation
- Mallesons Stephen J aques
- Margaret Lawrence Bequest
- Margaret Augusta Farell Trust
- masoniCare
- Matana Foundation For Young People
- melbourne Community Foundation
- Melbourne Newsboys Club Foundation
- Mercy Foundation
- The Miller Foundation
- The Moore Family Philanthropy Foundation
- The Mullum Trust
- The Myer Foundation
- Myer Community Fund
- National Australia Trustees
- National Foundation for Australian Women
- National Foods
- Nelson Meers Foundation
- Norman H Johns Trust
- The Norman Wettenhall Foundation
- NRMA Foundation
- Patrick Brennan Trust
- Paul Edward Dehnert Trust
- The Percy Baxter Charitable Trust
- Perpetual Foundation
- Perpetual Trustee Company Australia
- Pethard Tarax Charitable Trust
- Petre Foundation
- Pfizer Australia
- Philip Morris
- Pierce Armstrong Foundation
- Polia Foundation
- PricewaterhouseCoopers Foundation
- Promina Foundation
- Queensland Community Foundation
- Ray & Joyce Uebergang Foundation

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B. & R. Redpath
The Reichstein Foundation
G. & G. Reid
The R.E. Ross Trust
Rio Tinto Aboriginal Foundation
RMIT Foundation
Ronald Geoffrey Arnott Foundation
Ronald McDonald House Charities
Rothwell Wildlife Preservation Trust
RACV Foundation
The Sarah & Baillieu Myer Family Foundation
Sabemo Trust
The Shell Company of Australia
Sherman Foundation
Sisters of Charity Foundation
D. Smith
Sony Foundation Australia
Soundhouse Music Alliance
F. Spitzer
The Stan Perron Charitable Trust
State Trustees Australia Foundation
Sunshine Foundation
Sydney Community Foundation
The Tallis Foundation
Tasmanian Community Foundation
Tasmanian Community Fund
Tattersalls/The Estate of the Late George Adams
Telematics Trust
Telstra Foundation
The Thomas Foundation
Tibetan & Hindu Dharma Trust
Tomorrow: Today Foundation
The Tony and Lisette Lewis Foundation
The Towards a Just Society Fund
Trust for Nature Foundation
Victoria Law Foundation
Victorian Medical Benevolent Association
Victorian Women's Trust
Vincent Fairfax Family Foundation
The Vizard Foundation
Voiceless, the Fund for Animals
Western Australian Community Foundation
Westpac Foundation
The William Buckland Foundation
William Paxton Charitable Fund
Wingecarribee Community Foundation
P. Wollen
The Wyatt Benevolent Institution

**Associate Members**

- The Alfred Foundation
- Austin Health
- Australian Conservation Foundation
- Australian Rotary Health Research Fund
- Australian Multicultural Foundation
- Australian Sports Foundation
- The Benevolent Society
- Bluearth Institute
- Bobby Goldsmith Foundation
- Brotherhood of St Laurence
- CCF Australia
- The Cancer Council Victoria
- Cambra & Co
- Central Queensland University Foundation
- City of Port Phillip
- The Clem Jones Group
- Children's Cancer Institute Australia
- Esso Australia & Mobil Oil Foundation Borondara
- The Foundation for Development Cooperation
- Foundation for National Parks & Wildlife
- The Fred Hollows Foundation
- Freemasons Hospital
- Garvan Research Foundation
- Greening Australia Victoria
- The Hammond Care Group
- Heart Research Centre
- HSBC Asset Management Australia
- IDP Education Australia
- Inspire Foundation
- The Leukaemia Foundation of Queensland
- Lighthouse Foundation
- Mater Medical Research Institute
- Mission Australia
- Monash Institute of Reproduction and Development
- Monash University
- National Heart Foundation of Australia
- National Institute of Circus Arts
- National Institute of Dramatic Art
- The Northcott Society
- Opening the Doors Foundation
- Peter MacCallum Cancer Foundation
- Powerhouse Museum
- Reconciliation Australia
- Royal Australasian College of Surgeons
- Royal Botanic Gardens Melbourne
- Royal Blind Society
- The S. R. Stoneman Foundation
- Save the Children Australia
- Scope (Vic)
- The Smith Family
- Southern Health
- The State Library of NSW
- The State Library of Victoria Foundation
- St. George Foundation
- St Vincent's Health
- Sydney Opera House
- Tabcorp Holdings
- Tamar Region Natural Resource Management Strategy Reference Group
- United Way Australia
- University of Melbourne – Alumni Office
- University of Newcastle
- University of South Australia Foundation
- University of Tasmania Foundation
- University of Western Australia
- VicHealth
- Vision Australia Foundation
- Wise Community Investment
- YWCA NSW
- Zoological Parks Board of NSW

**Affiliate Members**

- Asia-Pacific Centre for Philanthropy and Social Investment
- The Austway Group
- Catherine Brown & Associates
- Cropper Parkhill
- Curtin University of Technology
- Deloitte
- The Horizon Foundation
- IOOF Foundation
- Knowledge Management Australia
- The Mary Potter Trust Foundation
- Merrill Lynch Private Wealth Services
- Social Venture Consultants
- Volunteering Australia
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