

Institute of Public Affairs Limited

(A Company Limited by Guarantee)
Incorporated in the Australian Capital Territory, 10 June 1987

Principal Office in Victoria

Executive Director:

Michael Nahan, BA (Hons), M.Sc, PhD

Editor, *IPA Review*

Michael Nahan, BA (Hons), M.Sc, PhD

Deregulation Unit:

Alan Moran, B.Sc (Econ.), MSc (Management), PhD.

NGO Unit:

Gary Johns, BA (Monash), MA (Monash), PhD

Secretary:

Michael Nahan, BA (Hons), M.Sc, PhD

Auditors:

KPMG

Registered Office in ACT:

Agent for Secretary:

PricewaterhouseCoopers

Principal Office

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INSTITUTE OF PUBLIC AFFAIRS LIMITED

DIRECTORS' REPORT

The Directors present their report together with the financial report of the Institute of Public Affairs Limited (the "Company") for the year ended 30 June 2002 and the auditors' report thereon:

Incorporation

The Company was incorporated in the Australian Capital Territory on 10 June 1987 as a company limited by guarantee. The Company acquired and took over the funds and other assets and liabilities of the unincorporated Institute of Public Affairs with effect from 1st July 1987 pursuant to Clause 3 (f) of the Memorandum of Association of the Company.

By its Memorandum of Association and pursuant to the provisions of the Corporations Law the Company is a non-profit, policy research and educational organisation having no political affiliation whatsoever.

Directors

The Directors of the Company at any time during or since the financial year are:

J.B. Prescott - (President – to December 2001)

| | |
|---------------------------------|-------------------------------------|
| K.J.Campbell | W.H.Clough AO, OBE |
| W.M.Clough | E.L.Windholz (resigned 30.06.02) |
| B.S.Dyson (resigned 26.11.01) | Dr G.M.Folie |
| D.S.Karpin AM | S.H.Myer (resigned 02.10.01) |
| Prof.R.R.Officer | J.B.Prescott AC (resigned 17.12.01) |
| T.W.Quirk | R.A.St John (resigned 16.08.01) |
| G.J.Travers (resigned 07.12.01) | |

M.D.Nahan - Principal Executive Officer.

The qualifications of the Directors are set out on page 19.

INSTITUTE OF PUBLIC AFFAIRS LIMITED

DIRECTORS' REPORT

Directors' Meetings

The number of Directors' meetings and number of meetings attended by each of the Directors of the Company during the financial year are:

| Director | Directors' Meetings | |
|------------------------|--------------------------|-----------------------|
| | No. of meetings attended | No. of meetings held* |
| Mr K.J. Campbell | - | 6 |
| Mr W.H. Clough AO, OBE | - | 6 |
| Mr W.M. Clough | - | 6 |
| Mr. B. S Dyson | 4 | 4 |
| Dr. G.M. Folie | 5 | 6 |
| Mr. D.S. Karpin AM | 3 | 6 |
| Mr S.H. Myer | 1 | 2 |
| Mr M.D. Nahan | 6 | 6 |
| Professor R.R. Officer | 3 | 6 |
| Mr J.B.Prescott A.C | 5 | 5 |
| Dr. T.W. Quirk | 4 | 6 |
| Mr R.A. StJohn | 1 | 1 |
| Mr G.J.Travers | 3 | 4 |
| Mr E.L. Windholz | 3 | 6 |

* reflects the number of meetings held during the time the director held office during the year.

Principal Activities

The principal activities of the Company during the year were the conduct of economic and social research, including the conduct of a number of seminars and conferences, the publishing of several booklets and papers, and media comment.

Review of Operations

During the year the company undertook the following activities:

- a) Three issues of IPA Review were produced. An additional issue was released in July 2002.
- b) Three issues of In Touch – the institute's newsletter were produced.
- c) Economic Freedom of the World – a joint venture with 54 other think tanks from around the world – was released during the year.
- d) One Backgrounder, five electronic backgrounders, five Energy Forum Issue papers, one Occasional Paper and one Current Issues book were published during the year.
- e) Institute staff made six submissions to government and parliamentary inquiries.
- f) 26 dialogues, seminars, book launches and lectures were organised by the Institute during the year.
- g) IPA staff had 153 major media contacts and gave 18 lectures during the year.

INSTITUTE OF PUBLIC AFFAIRS LIMITED**DIRECTORS' REPORT**Review of Operations (Continued)

- h) The Energy Forum met seven times during the year with six guest speakers.
- i) One issue of Facts was published.
- j) Nine NGO Watch Digest's were published.

State of Affairs

In the opinion of the Directors there were no significant changes in the state of affairs of the Company that occurred during the financial year under review not otherwise disclosed in this report or the financial report.

Results

The operating profit for the year ended 30 June 2002 was \$ 29,048 (2001: \$ 44,258 loss).

Share Capital

The Company is limited by guarantee and has no share capital. The payment of dividends is prohibited by the Memorandum of Association of the Company.

Events Subsequent to Balance Date

There has not arisen since the end of the financial year to the date of this report any item, transaction or event of a material or unusual nature likely to, in the opinion of the Directors of the Company, to affect significantly the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Likely Developments

Further information about likely developments in the operations of the company and the expected results of those operations in future financial years has not been included in the report because disclosure of the information would be likely to result in unreasonable prejudice to the company.

Indemnification of Officers and Auditors

Since the end of the previous financial year, the Company has not indemnified or made a relevant agreement for indemnifying against a liability any person who is or has been an officer or auditor of the company.

Dated at Melbourne this day of 2002

Signed in accordance with a resolution of the Directors.

Director

INSTITUTE OF PUBLIC AFFAIRS LIMITED
STATEMENTS OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED
30 JUNE 2002

| | Notes | 2002 \$ | 2001 \$ |
|---|--------------|--------------------------|--------------------------|
| Revenue from rendering of services | 2(a) | 660,228 | 668,894 |
| Other revenues | 2(a) | <u>9,236</u> | <u>5,048</u> |
| Total revenue | | 669,464 | 673,942 |
| Publication unit and seminar expenses | | (263,267) | (250,073) |
| Employee expenses | | (287,988) | (376,972) |
| Occupancy expenses | | (22,471) | (32,781) |
| Depreciation | 2(b) | (4,080) | (4,734) |
| Other expenses from ordinary activities | | <u>(62,610)</u> | <u>(53,640)</u> |
| Profit/(Loss) from ordinary activities | | <u>29,048</u> | <u>(44,258)</u> |

The statements of financial performance are to be read in conjunction with the notes to the financial statements set out on pages 7 to 14.

INSTITUTE OF PUBLIC AFFAIRS LIMITED
STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2002

| | Notes | 2002 \$ | 2001 \$ |
|--------------------------------------|-------|-----------------------|-----------------------|
| Current Assets | | | |
| Cash assets | | 15,620 | 21,322 |
| Receivables | 4 | 60,977 | 29,834 |
| Investments | 5 | 108,576 | 113,294 |
| Other- Prepayments | 6 | 1,354 | 2,800 |
| Total Current Assets | | <u>186,527</u> | <u>167,250</u> |
| Non-Current Assets | | | |
| Property, plant and equipment | 7 | 8,661 | 7,753 |
| Other assets | 6 | 7,818 | - |
| Total Non-Current Assets | | <u>16,479</u> | <u>7,753</u> |
| Total Assets | | <u>203,006</u> | <u>175,003</u> |
| Current Liabilities | | | |
| Payables | 8 | 22,575 | 11,507 |
| Provisions | 9 | 25,043 | 34,527 |
| Total Current Liabilities | | <u>47,618</u> | <u>46,034</u> |
| Non-Current Liabilities | | | |
| Provisions | 10 | 25,411 | 28,040 |
| Total non-current liabilities | | <u>25,411</u> | <u>28,040</u> |
| Total Liabilities | | <u>73,029</u> | <u>74,074</u> |
| Net Assets | | <u>129,977</u> | <u>100,929</u> |
| Equity | | | |
| Reserves | 11 | 46,500 | 46,500 |
| Retained profits | 12 | 83,477 | 54,429 |
| Total Equity | | <u>129,977</u> | <u>100,929</u> |

The statements of financial position are to be read in conjunction with the notes to the financial statements set out on pages 7 to 14.

INSTITUTE OF PUBLIC AFFAIRS LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2002

| | Notes | 2002 \$ | 2001 \$ |
|---|-------|-----------------------|-----------------------|
| Cash Flows from Operating Activities | | | |
| Cash receipts in the course of operations | | 635,613 | 641,817 |
| Cash payments in the course of operations | | (643,752) | (704,430) |
| Interest received | | <u>2,708</u> | <u>5,511</u> |
| Net cash provided by/(used in) operating activities 18(b) | | <u>(5,431)</u> | <u>(57,102)</u> |
| Cash Flows from Investing Activities | | | |
| Payments made for purchases of fixed assets | | <u>(4,988)</u> | <u>(1,014)</u> |
| Net cash used in investing activities | | <u>(4,988)</u> | <u>(1,014)</u> |
| Net increase/(decrease) in cash held | | (10,419) | (58,117) |
| Cash at the beginning of the financial year | | <u>134,615</u> | <u>192,732</u> |
| Cash at the end of the financial year | 18(a) | <u>124,196</u> | <u>134,615</u> |

The statement of cash flows is to be read in conjunction with the notes to the financial statements set out on pages 7 to 14.

INSTITUTE OF PUBLIC AFFAIRS LIMITED**Notes to the Financial Statements
for the year ended 30 June 2002****1. Statement of Significant Accounting Policies****(a) Basis of Preparation**

The financial report is a general-purpose financial report, which has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

It has been prepared on the basis of historical costs and except where stated, does not take into account changing money values or fair values of non-current assets.

These accounting policies have been consistently applied and, except where stated, are consistent with those of the previous year.

(b) Revenue recognition

Revenues are recognised at fair value of the consideration received net of the amount of goods and services tax (GST), payable to the Australian Taxation Office.

Subscription revenue

Subscription revenue is recognised as revenue when the subscription is received.

Interest and discount earned revenue

Interest and discount earned revenue is recognised as it accrues (on an accrual basis).

Other Income

Units, projects, conferences and seminars are recognised as revenue as it accrues.

(c) Taxation

The Company is not liable for tax as it is exempted under Section 50-5 of the Australian Income Tax Assessment Act.

INSTITUTE OF PUBLIC AFFAIRS LIMITED**Notes to the Financial Statements
for the year ended 30 June 2002****(d) Goods and services tax**

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

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

The amount of GST recoverable from, and payable to, the ATO is included as a current asset and liabilities in the statement of financial position.

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

(e) Acquisition of assets

All assets acquired including property, plant and equipment are initially recorded at their cost of acquisition at the date of acquisition being the fair value of the consideration provided plus incidental costs directly attributable to the acquisition.

(f) Recoverable amount of non-current assets valued on cost basis

The carrying amounts of non-current assets valued on the cost basis, are reviewed to determine whether they are in excess of their recoverable amount at balance date. If the carrying amount of a non-current asset exceeds its recoverable amount, the asset is written down to the lower amount. The write-down is expensed in the reporting period in which it occurs.

(g) Depreciation of Property, Plant and Equipment

Property plant and equipment are depreciated over their estimated useful lives using the straight-line method, at a rate of 20% per annum (2001: 20% per annum).

(h) Other financial assets

Term deposits are classified as current assets and carried at the lower of cost and recoverable amount.

(i) Superannuation

The Company contributes to superannuation funds based on years of service and final average salary.

(j) Provision For Employee Entitlements

Wages, Salaries and Annual Leave

The provisions for employee entitlements represents the amount which the Company has a present obligation to pay resulting from employees' services provided up to the reporting date. The provision has been calculated at undiscounted amounts based on current wage and salary rates, including related on-costs.

INSTITUTE OF PUBLIC AFFAIRS LIMITED**Notes to the Financial Statements
for the year ended 30 June 2002**

Long Service Leave

The provision for employee entitlements to long service leave represents the present value of the estimated future cash outflows to be made resulting from employees' services provided up to reporting date.

(k) Accounts Payable

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the Company. Trade accounts payable are normally settled within 30 days. The carrying amount of accounts payable approximates net fair value.

(l) Operating leases

Payments made under operating leases are expenses on a straight-line basis over the term of the lease, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property.

(m) Comparative Information

Where necessary, comparatives have been adjusted to ensure consistency with the current year.

INSTITUTE OF PUBLIC AFFAIRS LIMITED

**Notes to the Financial Statements
for the year ended 30 June 2002**

2. Operating Profit

2(a) Revenue from Ordinary Activities

| | 2002 | 2001 |
|---|--------------------|--------------------|
| | \$ | \$ |
| Rendering of services revenue from operating activities | 660,228 | 668,894 |
| Other revenues: | | |
| From operating activities | | |
| Interest | 3,298 | 4,824 |
| Other | <u>5,938</u> | <u>224</u> |
| | <u>9,236</u> | <u>5,048</u> |
| Total revenue from ordinary activities | <u>669,464</u> | <u>673,942</u> |

2(b) Profit from Ordinary Activities

Individually significant items included in profit from ordinary activities

| | | |
|------------------------------|---------|---------|
| Salaries and consulting fees | 266,696 | 300,599 |
| Direct unit costs | 209,500 | 155,995 |

Profit from ordinary activities has been arrived at after charging/(crediting) the following item:

| | | |
|--|--------|--------|
| Operating lease rental expense (includes cleaning) | 22,471 | 32,781 |
| Depreciation of plant & equipment | 4,080 | 4,734 |

Net expense from movements in provision for:

| | | |
|-----------------------|---------|---------|
| Employee entitlements | | |
| - Long service leave | (888) | 8,045 |
| - Annual leave | (8,678) | (2,602) |

3. Auditors' Remuneration

| | | |
|---------------------------------------|-------|-------|
| Audit services by auditors of company | 2,500 | 2,500 |
|---------------------------------------|-------|-------|

4. Receivables - Current

| | | |
|------------------|---------------|---------------|
| Sundry debtors | 60,239 | 29,685 |
| Accrued interest | <u>738</u> | <u>149</u> |
| | <u>60,977</u> | <u>29,834</u> |

5. Investments - Current

| | | |
|---------------|----------------|----------------|
| Term Deposits | <u>108,576</u> | <u>113,294</u> |
| | <u>108,576</u> | <u>113,294</u> |

INSTITUTE OF PUBLIC AFFAIRS LIMITED

**Notes to the Financial Statements
for the year ended 30 June 2002**

| <u>6. Other Assets</u> | 2002 | 2001 |
|---|------------------|------------------|
| | \$ | \$ |
| <i>Current</i> | | |
| Prepayments | <u>1,354</u> | <u>2,800</u> |
| <i>Non-Current</i> | | |
| Other assets | <u>7,818</u> | <u>—</u> |
| <u>7. Property, Plant and Equipment</u> | | |
| Furniture and fittings - at cost | 122,434 | 122,434 |
| Accumulated depreciation | <u>(122,434)</u> | <u>(122,376)</u> |
| | <u>—</u> | <u>58</u> |
| Office machines - at cost | 270,693 | 265,705 |
| Accumulated depreciation | <u>(262,032)</u> | <u>(258,010)</u> |
| | <u>8,661</u> | <u>7,695</u> |
| Total property, plant and equipment net book value | <u>8,661</u> | <u>7,753</u> |

Reconciliations

Reconciliations of the carrying amounts for each class of property, plant and equipment are set out below:

Furniture and Fittings:

| | | |
|--------------------------------------|-------------|-------------|
| Carrying amount at beginning of year | 58 | 145 |
| Additions | - | - |
| Disposals | - | - |
| Depreciation | <u>(58)</u> | <u>(87)</u> |
| Carrying amount at end of year | - | 58 |

Office machines:

| | | |
|--------------------------------------|----------------|----------------|
| Carrying amount at beginning of year | 7,695 | 11,328 |
| Additions | 4,988 | 1,014 |
| Disposals | - | - |
| Depreciation | <u>(4,022)</u> | <u>(4,695)</u> |
| Carrying amount at end of year | <u>8,661</u> | <u>7,753</u> |

8. Accounts Payable - Current

| | | |
|-------------------------------------|---------------|---------------|
| Trade creditors | 17,428 | 5,036 |
| Sundry creditors - accrued expenses | <u>5,147</u> | <u>6,471</u> |
| | <u>22,575</u> | <u>11,507</u> |

9. Provisions - Current

| | | |
|----------------------------|---------------|---------------|
| Holiday pay – Annual Leave | 19,154 | 26,091 |
| Provision -Other | <u>5,889</u> | <u>8,436</u> |
| | <u>25,043</u> | <u>34,527</u> |

INSTITUTE OF PUBLIC AFFAIRS LIMITED

**Notes to the Financial Statements
for the year ended 30 June 2002**

10. Provisions – Non-Current

| | | |
|---------------------------------|---------------|---------------|
| Long service leave | <u>25,411</u> | <u>28,040</u> |
| Number of employees at year end | 4 | 5 |

11. Reserves

| | | |
|---------|---------------|---------------|
| General | <u>46,500</u> | <u>46,500</u> |
|---------|---------------|---------------|

12. Retained Profits Reconciliation

| | | |
|---|---------------|-----------------|
| Retained profits at the beginning of year | 54,429 | 98,543 |
| Prior year-end adjustment | - | 144 |
| Net profit/(loss) | <u>29,048</u> | <u>(44,258)</u> |
| Retained profits at the end of the year | <u>83,477</u> | <u>54,429</u> |

13. Limitation of Members Liability

Pursuant to the Memorandum of Association, in the event of the Company being wound up the liability of each member or each former member who ceased to be a member within one year of the Company being wound up would not exceed \$10 per member. As at 30 June 2002 there were fifty-four members.

14. Segment Reporting

The Company operates in one industry segment, which is the service sector, catering for the special interest of corporations, individuals and schools in the field of research on economic and social matters, which concern the community. The Company operates entirely within Australia.

INSTITUTE OF PUBLIC AFFAIRS LIMITED

**Notes to the Financial Statements
for the year ended 30 June 2002**

| <u>15. Operating Lease Rental Commitments</u> | 2002 | 2001 |
|--|-------------------|-------------------|
| | \$ | \$ |
| Within one year | 46,909 | 21,250 |
| One year or later and no later than five years | 80,365 | - |
| Later than 5 years | - | - |
| | <u>127,274</u> | <u>21,250</u> |
| Rental expense for the year | <u>20,568</u> | <u>30,000</u> |
| | <u>20,568</u> | <u>30,000</u> |

16. Related Parties Disclosures

The names of each person holding the position of Director of the Institute of Public Affairs Limited during the financial year are Messer's K.J. Campbell, W.H. Clough AO OBE, W.M. Clough, B.S. Dyson, G.M. Folie, D.S. Karpin, S.H. Myer, Professor R.R. Officer, M.D. Nahan J.B.Prescott A.C., R.A. St. John, G.J.Travers, E.L. Windholz and T.W. Quirk.

B.S. Dyson, S.H. Myer, J.B.Prescott, R.A. St. John, E.L. Windholz and G.J.Travers retired as directors during the year.

17. Directors Remuneration

Directors of the Company receive no financial benefits. They provide their services purely on an honorary basis.

INSTITUTE OF PUBLIC AFFAIRS LIMITED

**Notes to the Financial Statements
for the year ended 30 June 2002**

18. Statement of Cash Flows

a) Reconciliation of Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at bank and short term deposits at call. Cash as at the end of the financial year as shown on the Statement of Cash Flows is reconciled to the related item in the statement of financial position as follows:

| | 2002 | 2001 |
|-------------|----------------|----------------|
| | \$ | \$ |
| Cash | 15,620 | 21,321 |
| Investments | <u>108,576</u> | <u>113,294</u> |
| | <u>124,196</u> | <u>134,615</u> |

b) Reconciliation of operating (loss)/profit to net cash used in operating activities

| | | |
|---|-----------------|-----------------|
| Operating profit/(loss) | 29,048 | (44,258) |
| Previous Year-end adjustment | - | 144 |
| Items classified as investing activities: | | |
| Non-cash items: | | |
| Depreciation | <u>4,080</u> | <u>4,734</u> |
| Net cash (used in)/provided by operating activities before change in assets and liabilities | 33,128 | (39,380) |
| Changes in assets and liabilities: | | |
| (Increase)/decrease in receivables | (31,143) | (26,098) |
| (Increase)/increase in other assets | (6,372) | 122 |
| (Decrease)/increase in creditors | 11,068 | 2,504 |
| (Decrease)/increase in provisions | <u>(12,112)</u> | <u>5,750</u> |
| Net cash used in operating activities | <u>(5,431)</u> | <u>(57,102)</u> |

19. Additional Financial Instruments Disclosure

The fair value of financial assets and liabilities approximate their carrying values.

INSTITUTE OF PUBLIC AFFAIRS LIMITED

DIRECTORS' DECLARATION

In the opinion of the directors of the Institute of Public Affairs Limited:

- (a) the financial statements and notes, set out on pages 4 to 14, are in accordance with the Corporations Law, including:
 - (i) giving a true and fair view of the financial position of the company as at 30 June 2002 and of its performance, as represented by the results of its operations and its cash flows, for the year ended on that date; and
 - (ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:

Director

Dated

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF THE
INSTITUTE OF PUBLIC AFFAIRS LIMITED**

Scope

We have audited the financial report of the Institute of Public Affairs Limited for the financial year ended 30 June 2002, consisting of the statements of financial performance, statements of financial position, statements of cash flows, accompanying notes, and the directors' declaration set out on pages 4 to 15. The Company's directors are responsible for the financial report. We have conducted an independent audit of this financial report in order to express an opinion on it to the members of the Company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent with our understanding of the Company's financial position, and performance as represented by the results of its operations and its cash flows.

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

Audit Opinion

In our opinion, the financial report of the Institute of Public Affairs Limited is in accordance with:

- (a) the Corporations Act 2001, including:
 - i) giving a true and fair view of the Company's financial position as at 30 June 2002 and of its performance for the year ended on that date; and
 - ii) complying with Accounting Standards in Australia and the Corporations Regulations and;
- (b) other mandatory professional reporting requirements in Australia.

KPMG

P J McDonald
Partner

Melbourne

2002

DISCLAIMER

The additional financial information presented on page 18 is in accordance with the books and records of the Institute of Public Affairs Limited which have been subjected to the auditing procedures applied in our statutory audit of the company for the year ended 30 June 2002. It will be appreciated that our statutory audit did not cover all details of the additional financial information. Accordingly, we do not express an opinion on such financial information and no warranty of accuracy or reliability is given.

In accordance with our Firm policy, we advise that neither the Firm nor any member or employee of the Firm undertakes responsibility arising in any way whatsoever to any person (other than the company) in respect of such information, including any errors or omissions therein, arising through negligence or otherwise however caused.

KPMG

Melbourne

2002

INSTITUTE OF PUBLIC AFFAIRS LIMITED

**STATEMENT OF INCOME AND EXPENSE FOR THE YEAR ENDED
30 JUNE 2002**

| | 2002 | 2001 |
|--|-----------------------|------------------------|
| | \$ | \$ |
| Income | | |
| Subscriptions - General | 278,066 | 396,438 |
| Subscriptions – Units/Projects | 349,383 | 187,891 |
| Conferences & Seminars | 7,353 | 52,450 |
| Publications & Media | 25,426 | 32,115 |
| Interest | 3,298 | 4,824 |
| Sundry | <u>5,938</u> | <u>224</u> |
| Total Income | <u>669,464</u> | <u>673,942</u> |
| Expenses | | |
| Administration Costs | | |
| Salaries and consultancy fees | 266,696 | 300,599 |
| Superannuation | 27,731 | 67,239 |
| Workers compensation insurance | 3,127 | 3,691 |
| Amounts set aside to provisions | | |
| Annual leave | (8,678) | (2,602) |
| Long service leave | <u>(888)</u> | <u>8,045</u> |
| Total Staff Costs | <u>287,988</u> | <u>376,972</u> |
| Other Administration Costs | | |
| Depreciation | 4,080 | 4,734 |
| Office Rental & Cleaning | 22,471 | 32,781 |
| Electricity and telephone | 14,096 | 14,478 |
| Travelling Expenses | 12,781 | 5,318 |
| Computer Expenses | 10,391 | - |
| Sundry Office Expenses | <u>25,342</u> | <u>33,844</u> |
| Total Administration Costs | <u>89,161</u> | <u>91,155</u> |
| Publication, Unit & Seminar Costs | | |
| Publication costs | 48,603 | 45,824 |
| Conferences & Seminars | 5,164 | 48,254 |
| Direct Unit Costs | 209,500 | 155,995 |
| Total Publication, Unit & Seminar Costs | <u>263,267</u> | <u>250,073</u> |
| Total Expenses | <u>640,416</u> | <u>718,200</u> |
| Operating (loss)/profit for the year | <u>29,048</u> | <u>(44,258)</u> |

INSTITUTE OF PUBLIC AFFAIRS LIMITED**Qualifications of Directors****President**

John Barry Prescott, AC, BComm (Ind Rel), Hon. DSc, Hon. DLaws, FAICD, FAIM, FTSE, Chairman, Australian Submarine Corporation Pty Ltd. Chairman, Horizon Private Equity Pty Ltd.; Director, Normandy Mining; Member, Board of Trustees, The Conference Board (USA); Member, Executive Council, Asia Society AustralAsia Centre; Member, Advisory Board, Booz Allen & Hamilton Inc.; Member, International Council, J P Morgan and Chase; Member, Asia Pacific Advisory Committee, NY Stock Exchange.

Kerran John Campbell, B.Eng. F.I.E.Aust., F.I.C.D., F.I.C.B.S.E., M.Cons.E Aust., M.ASIS
Managing Director CCD Australia.

William Harold Clough, AO, OBE, B.E.(WA), M.S. (Calif)
Director Clough Ltd Group

William McCrae Clough, B.Sc, B.Comm
Director Clough Ltd Group.

Bruce Scott Dyson, AFAIM, FSIA, Ass Dip Mgt
Past Member & Director, Australian Stock Exchange Limited. Director, Futuris Corporation Limited.

Michael Folie, B.Eng., Dip IC, PhD, Msc (Econ); Deputy Chairman, InterOil Corporation;
Director, Australian Research Council.

David Simon Karpin, AM. B.Com (Hons), MBA (Hon),(Hon).LLD, F.C.P.A., F.A.I.M, ASIA, MACS. Exec. Chairman, Karpin Slaughter Ltd., Chairman, Melbourne Health, Chairman Mt Eliza Business School Ltd., Director, Placer Dome Inc., Director Warnambool Cheese & Butter Factory Ltd., Director Bio21 Ltd., Director ANUTECH Pty Ltd.

Sidney Hordern Myer, B.Ec.

Professor Robert Rupert Officer, B.Ag.Sc(Melb), M.AG.EC (New England), MBA, PHD (Chicago), FASSA. AMP Professor of Finance, Deputy Director, Melbourne Business School,, University of Melbourne.

Thomas William Quirk, M.Sc., D.Phil., M.A.(Oxon), SMP(Harv.)
Chairman, Victorian Rail Track, Virax Holdings, Director, VENCorp., Biota Holdings and Geo2 Limited..

Richard Arthur St John, LLB(Hons), (Melb)., LLM (London).
Corporate General Counsel and Company Secretary, BHP, Convenor, Companies & Securities Advisory Committee.

Gregory James Travers B.A. (Economics)
Executive General Manager, Group Services,WMC., Director, Australian Mines and Metals Association.

Eric Larry Windholz, LLB(Hons), B.Econ.
Managing Director, Burson-Marsteller.

Chief Executive Officer and Executive Director

Michael Dennis Nahan, BA (Hon), Msc., PhD.

INSTITUTE OF PUBLIC AFFAIRS LIMITED

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- John Brunner
- D.J. Brydon
- J.A. Calvert-Jones
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- JFH Clark
- * W.H. Clough, AO, OBE
- * W.M. Clough
- J.C. Dahlsen
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- Sir Bruce Watson
- I.E. Webber
- Hon Vernon Wilcox, CBE. QC
- * E.L. Windholz

*Members of the Committee (Board of Directors)