



# THE MELBOURNE ATHENÆUM LIBRARY

THE PLEASURE OF WORDS

## The Melbourne Athenaeum Incorporated

ANNUAL REPORT 2018

Presented April 2019



Deborah Klein Artist Residency 2019.  
Part of Rare Book Week.  
Photo by Shane Jones and courtesy of the artist.

# The Melbourne Athenaeum Incorporated

## First Minute Book

Minutes  
of the proceedings of adjourned Meeting (Public) held  
in the Scots School House on  
[unclear] in the chair —

1<sup>st</sup> Resolution.  
That the following gentlemen be requested to  
act as officers - being ex-officio members of  
the Committee.

as officers  
Committee  
(Patron E. J. LaRoche Esq. /  
President Cap'n Lonsdale. P.M.  
President President 2 McCord Esq.

President. Cap<sup>n</sup> Lonsdale  
Vice-president  
A. F. Gisborne Esq J.P. J. McCord Esq M.D.  
A. Galdwyn Esq J.P. Thos Mills Esq J.P.  
Cap Smyth J.P. Geo Porter Esq  
A. Thomson Esq Rose J. Elow  
J. C. Adams Esq J.P. Arthur C.

Captain  
 A. Thomson Esq  
 Treasurer. Geo. Gardiner Esq.  
 Auditors Wm. H. H. D. C. McArthur Esq.  
 R. C. I. Forbes.  
 Morrison

*Treasurer* Wm H. H. H. Esq. J. Forbes.  
*Secretary* R. W. Morrison  
Wm. W. Morrison

Secretary Mrs. Morris  
Assist. Secy Dr. Hollans & Willie  
Curators Mr. Thos. Burns

curators Drs. Hollan  
Librarian Mr. Thos. Burns  
will unanimously

Librarian Mr. J. Coulston  
carried unanimously.

2<sup>nd</sup> Resolution.  
Proposed by Mr J Coulstock 2<sup>nd</sup> by Mr J Say  
that the following Gentlemen form the Committee  
for the ensuing year  
Mess<sup>rs</sup> Hurlstone  
Piers  
Bantkin  
Jas Anderson

that the following

for the ensuing year

Miss J. Jos. Anderson

" G. Beaver

" J. Best

" Brewster

" Bodecin

" Browns

" Burns

" Caulfield

" Craig

" Denwoodie

" Graham

" Kibble

" Magee

" Murphy

" O'G/MacArthur

Miss A. Howlstone

" Peers

" Rankin

" Rattenbury

" Reeves

" Rucker

" Rushton

" Russell

" Lums

" Stevenson

" Spode

" Sutherland

" Welch

" Williams

" Winkle

" Robertson

" Paterson

carried unanimo

carried unanimously



# The Melbourne Athenaeum

## President's Report

The Athenaeum has had a successful year in 2018 with one of the key goals of the committee to expand the arts-based services to members.

We have introduced a playwright-in-residence program with our inaugural playwright being Patricia Cornelius. Patricia was a regular presence in the library during the year working on an adaptation of *The House of Bernada Alba* for Melbourne Theatre Company, which premiered mid-year. The Melbourne Athenaeum hosted a reading and performance of another new play, *In the Club* in November. Patricia has recently been awarded the international Windham-Campbell Prize for drama and was also awarded a lifetime achievement Green Room award.

Our artist-in-residence this year was Deborah Klein and a copy of her book *Leaves of Absence* is on display in the library, the National Gallery of Australia have also acquired a copy. The committee is very proud of its growing arts program and the broader role the organisation is playing in Melbourne's artistic landscape.

At a library level the last of the steel shelving was replaced with timber shelves. We have completed an interior design plan for the library that will be implemented over the next couple of years. The plan covers the layout of the library as well furniture, carpet and lighting. Rest assured the historical feel of the library that makes it so appealing won't change, it will be an enhancement that is aimed at making the library work better as well as delivering a consistent look and feel.

I would like to thank those members who donated to the Annual Giving Appeal; all the funds are directed to library improvements. In 2019 we will look to commence the implementation of the interior design plan.

Financially the Athenaeum is in a strong position with a positive cash flow and a healthy bank balance, all very important when you are trying to maintain a 180-year-old building.

During the year our long-term volunteer Archives Coordinator, Marjorie Dalvean retired. Marjorie did an outstanding job over many years and we wish her well. I'd like to thank the library staff, volunteers and committee members who have provided their time and expertise throughout the year and look forward to continued growth of the Athenaeum.

## Don Smith President



# Business Manager's Report

This is my ninth report to the membership and it is my pleasure this year to acknowledge and thank our stable and willing library and archives volunteers, the voluntary committee and also to thank our small staff who, all together, keep the library doors open and make it such a welcoming, and constantly evolving space.

The library has transformed over the past nine years, and offers members so much more than a book borrowing service. But this is not new in the library's history. Reflecting on past annual reports, it is evident that this organisation has always been more than "just a library".

Behind the scenes, the committee works to ensure the stability and financial security of the organisation is maintained, primarily through maintaining productive and positive relationships with its tenants. The Bistro D'Orsay now offers library members a 10% discount off their dining bill, and this year the theatre has also offered discount tickets to some performances. Please show your support to these businesses including HH Jewellery on the ground floor as it is their presence in the building that sustains the library operation.

The management committee commissioned a library interior master plan to ensure that as repairs, maintenance and upgrades to furniture, fittings and interiors are required, there is a clear vision for the library's interior design. The plans are now complete, and will be displayed for members during 2019.

The management committee also commissioned a building condition report that was completed at the end of 2018 which will

provide a roadmap for building repairs and improvements over the next decade.

Those of us who work on your behalf either as volunteers or as employees, strive to keep the organisation's vision of continuing into our third century as vibrant cultural institution at the forefront of all that we do. This vision is achieved by providing a quality library and a cultural program that benefits us all.

## Sue Westwood Business Manager



## Librarian's Report

Another very busy year has just flown by. It is pleasing to see that loans, including eBook loans and memberships were up from the previous year.

In addition, more than 28,500 visits were recorded to the library during the past 12 months with many visitors coming in to attend events or browse and purchase our popular second hand books.

Library staff, volunteers and the management committee together with design consultants from RMIT have spent the past 12 months planning improvements to the library. We are hoping to commence these improvements at the end of 2019.

Some other 2018 highlights include:

- a second screen club commenced due to overwhelming demand;
- the library went 'green' introducing New Paper Recycling Bins and environmentally friendly coffee cups;
- the two public computers were replaced with three WIFI enabled laptops;
- we saw an influx of visitors during Seniors Week when the library offered library tours;
- a number of staff and volunteers attended the Mechanics Institute Conference on 16-18 November held at the Ballarat Mechanics Institute;
- Rare Book Week was again a great success with acclaimed artist-in-residence Deborah Klein displaying drawings and linocuts for two books influenced by female characters in gothic novels.

Deborah Klein also spoke to library members about the importance of storytelling and the theme that primarily underpins her work: the absence of women from history. Also appearing during Rare Book Week was popular speaker Richard Overell who spoke about collecting cookery books.

We also ran a very successful musical program with an average of 70 members attending each performance.

Here is the list of music performances held in 2018:

February	Ultrafox
May	Jerome Smith and Steve Lucas
May	Charles Jenkins

June	The Rubies
August	Inventi
September	Ron Peno & Cam Butler
October	Saverio
November	Enyato Duo

Other events held in the library included: White Night Melbourne, United Nations Association Melbourne, New Members Evening, Author Talks, Readings & Book Launches, Volunteers Morning Tea, Marcus Clarke Lecture on Melbourne's Market History delivered by Robyn Annear, Rehearsed Play Reading of *In the Club*, directed by Susie Dee and written by playwright-in-residence Patricia Cornelius.

I would like to acknowledge the great work of our staff and volunteers. Each one of them brings an amazing level of expertise and professionalism, that only benefits the library and enhances the member's library experience. Their enthusiasm and dedication is very much appreciated.

## Rose Blustein Librarian



# Archives Report

In 2018 the Archives farewelled its long-time voluntary and volunteer coordinator, Marjorie Dalvean. Her departure was acknowledged at the time but it is important to acknowledge the positive impact that Marjorie has had on the organisation during her time here. She commenced working in the library as a junior assistant in the 1950s before returning after retirement to volunteer. Her voluntary work commenced with an archives room full of crushed boxes and documents that she set about sorting, sifting and cataloguing.

Marjorie also harnessed willing helpers who, as a team with limited resources, stamped the Melbourne Athenaeum Incorporated as a place both worthy of research and intrinsic to the story of European settlement in Port Phillip. She encouraged research essays to be written and published, promoted the organisation far and wide through talks and workshops, welcomed visitors, and responded to 1,000s of enquiries ranging from family research to city planning. She networked and engaged with other historical organisations to ensure this organisation was identified as both a credible and worthy historical institution in Melbourne.

Marjorie's influence continues, and in 2018 Archives volunteer Anne Marsden published her second volume on the institution, *And the Women Came Too: The families of the founders of the Melbourne Mechanics' Institution*. This publication received a Commendation at the 2018 Victorian Community History Awards, and received a Best History of an Institution award at the Mechanics' Institutes of Australia conference held in Ballarat in November.

There are some gems in the archives collection, including the first minute book, a

title plan drawn by Robert Russell, and even a letter from Arthur Streeton written in 1926 describing how to improve the Art Gallery's hanging spaces.

Of course the central artwork in the Melbourne Athenaeum archive is Streeton's war painting "Ruins of Peronne" which hangs between the two windows overlooking Collins Street. An essay by Dr Anna Grey based on this artist's war paintings appeared in our second edition of *Shelf Life*, published in November 2018. The publication continues to be well received, by members and those visitors to the library seeking to know more about the organisation's history.

The Melbourne Athenaeum art collection continues to grow with contemporary artworks being collected and commissioned through the organisation's artist-in-residence program. It is easy to overlook the work on display in the library, but I encourage you to take a moment enjoy the small collection in the display cabinet and on the walls. You will see work by book sculptor Nicholas Jones, an artist book by Bruno Leti & Chris Wallace-Crabbe, a tunnel book by Kyoko Imazu, a sculpture by Ruth Johnston, a carousel book by Anne Kuchera, a photograph printed onto aluminium to celebrate White Night Melbourne in 2016 by Lisa Anderson, and an artist book by last year's resident artist Deborah Klein. These artworks will, over coming years, be better displayed to allow members the opportunity to enjoy this part of the collection.

More research into the art gallery's history is being completed by our archives volunteers and an essay will be published in this year's *Shelf Life* about an exhibition held during World War 2 by The Anti-Fascist Movement.

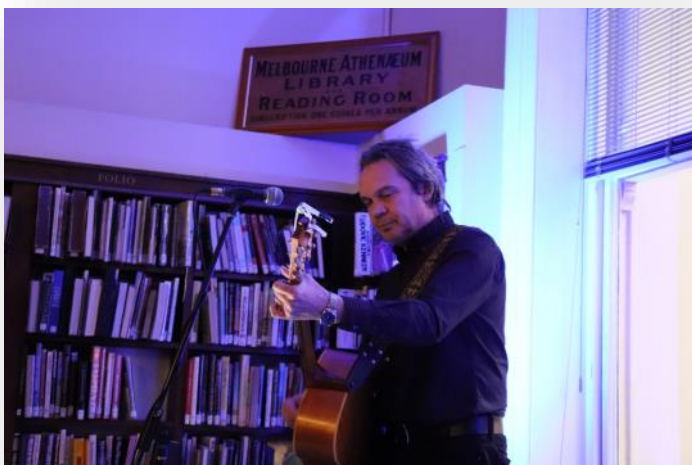


# THE MELBOURNE ATHENAEUM IN PICTURES 2018

## Music and conversation to entertain and educate



Photos (clockwise from above left):  
Deborah Klein, artist-in-residence;  
Patricia Cornelius, playwright-in-  
residence, Jerome Smith and Steve  
Lucas, Charles Jenkins, audience  
attending Richard Overell's talk during  
Rare Book Week,





# THE MELBOURNE ATHENAEUM IN PICTURES 2018

## Music and conversation to entertain and educate



Photos (clockwise from above left): Sue Westwood and Anne Marsden book launch of *And the Women Came Too*; Body in the Library award winner Fin J Ross (centre) with actor Kate Atkinson; *The Rubies* a capella group; Queens on Collins; cast of *In the Club* playreading.





## 2018 Highlights

*Commission and installation of the final bay of timber shelving by the western windows overlooking Collins Street.*

*Number of library loans increased by 600 in 2018 compared to 2017. Crime Fiction continues to be the largest borrowed genre representing 39% of total borrowings.*

*Second screen club commenced in the library.*

*Desktop, public access computers replaced with three WiFi enabled laptop computers.*

*Increase in public visitation through organized library tours and talks.*

*Music concerts successfully expanded offering a variety of music genres.*

*Successful residency program including the inaugural playwright-in-residence Patricia Cornelius, and artist-in-residence Deborah Klein.*

*Rehearsed play-reading with professional actors and director Susie Dee presenting Patricia Cornelius' new play In the Club.*

*Acquisition of Deborah Klein's artist book Leaves of Absence for the library's art collection.*

*Talks on international issues such as poverty and sustainability and Melbourne's history.*

*An entertaining evening of readings from the "Body in the Library" short stories in conjunction with Sisters in Crime.*

*Melbourne Athenaeum canopy selected as the venue for the Queens on Collins performance during the 2018 White Night Festival.*



## 2018 Annual Giving Appeal

Financial support by members and friends helps to improve our library services and facilities. In 2018 was agreed that an interior design master plan would provide the foundation for future decision-making on upgrades to carpet, wall paint, furniture and fittings. A master plan has been developed and will be displayed in 2019. The Melbourne Athenaeum Incorporated acknowledges those members and friends who generously donated to the 2018 appeal.

The impact of a tax deductible donation each and every year becomes a significant sum over time. More than \$65,000 has been raised through the giving appeal since 2010. The Public Fund Trustees are Mr Kevin Quigley, Mr Frank Hurley and Mr Esmond Pitt. The following donations were received this year with thanks:

### \$500 or more

Anon (1), Ms L Box, Mr D Smith.

### \$200 or more

Anon (3), Mr G Evans, Mr M Gisborne, Mr I McBeath, Dr D McLaren, Mrs J Talbot, Ms S Westwood.

### \$100 or more

Anon (15), Ms S Arnold, Mr M Balmford, Ms S Blustein, Ms E Canty, Mr D Chandler, Five Consultancy P/L, Ms C Gibbs, Mr J Holden, Mr B Humphries, Mr M Joyce, Prof W Kirsop, Ms A Lord, Ms L Payne, Mr K Quigley,

### Up to \$100

Anon (26), Dr L Bartak, Prof P Beilharz, Ms R Bleathman, Mr J Bloustein, Mr M Churchyard, Mr G Duke, Ms M Hicks, Ms L John-Krol, Mrs T Knight, Dr M Malloch, Mr R Tate, Dr S Supski.

# The Melbourne Athenaeum Incorporated Management Committee

The following people held Committee positions and twelve meetings were held during 2018

	Members	Meetings Attended	Sub-Committees
	Don Smith, President	9/12	Executive, Property
	Kevin Quigley, Treasurer	12/12	Executive, Finance & Audit
	Sophie Arnold (Vice President)	10/12	Executive, Property
	Andrew Barnes	0/4	Executive
	Matthew Balmford	7/8	Property
	Louise Box	7/12	Marketing & Membership
	Marianne Dunham	12/12	Library
	Michael Fawaz	10/12	Library
	Christine Gibbs	9/12	Marketing & Membership
	Matthew Gisborne	11/12	Library
	Barbara Gliddon	11/12	Marketing & Membership





# The Melbourne Athenaeum Incorporated

**Patron:** The Hon Linda Dessau, AC, Governor of Victoria

## Management Committee

**President:** Don Smith  
**Vice President:** Sophie Arnold  
**Treasurer:** Kevin Quigley  
**Committee:** Matthew Balmford (appointed April 2018)  
Louise Box  
Marianne Dunham  
Michael Fawaz  
Christine Gibbs  
Matthew Gisborne  
Barbara Gliddon

**Athenaeum Staff:** Sue Westwood, Business Manager  
Rose Blustein, Librarian  
James Baker  
Tom Coleman  
Clare Murayama  
Lawana Coulson  
David Pryor (Accountant)  
Caroline Debevc (Senior Bookkeeper)

## Library volunteers

Perry Anderson  
Lea Beranek  
Aaron Cook  
Norma Gates  
Wallis Gandell  
Lynne Johnston  
Moyra McAllister  
Keith McDougall  
Pat Miller  
Shannon Parsons

## Archive volunteers

Marjorie Dalvean  
Margaret Bowman  
Gerry Ely  
Ruby Gray  
Kim Hughes  
Anne Marsden  
Christine Perkins

## Honorary Members

Marjorie Dalvean  
Moyra McAllister  
Leila Winchcombe

The Melbourne Athenaeum Incorporated  
188 Collins Street  
Melbourne Victoria 3000  
P O Box 225 Flinders Lane, Melbourne 8009  
Telephone: (03) 9650 3100 Fax (03) 9654 9776  
Email: [library@melbourneathenaeum.org.au](mailto:library@melbourneathenaeum.org.au)  
[www.melbourneathenaeum.org.au](http://www.melbourneathenaeum.org.au)

# **The Melbourne Athenaeum Incorporated**

## ***The Pleasure of Words***

### **Library Opening Hours 2018**

Mon/Tues/Thurs	10.00am—6.00pm
Wed:	10.00am—8.00pm
Fri	10.00am—4.00pm
Sat:	10.00am—2.00pm

### **Annual Membership Subscription**

Full:	\$99.00
Concession:	\$89.00

### **Membership benefits:**

- A historic library located in the heart of Collins Street;
- The latest books, magazines, newspapers, DVDs;
- Victoria's finest Crime Fiction and Biography Collections;
- A growing collection of eBooks and free IT help for readers and tablets;
- Regular live music performances, lectures, and book clubs;
- Free internet access;
- Friendly staff and a welcoming retreat, offering tea and coffee;
- 10% dining discount at the Bistro D'Orsay on presentation of your library card.



The Melbourne Athenaeum Incorporated  
188 Collins Street  
Melbourne Victoria 3000  
P O Box 225 Flinders Lane, Melbourne 8009  
Telephone: (03) 9650 3100 Fax (03) 9654 9776  
Email: [library@melbourneathenaeum.org.au](mailto:library@melbourneathenaeum.org.au)  
[www.melbourneathenaeum.org.au](http://www.melbourneathenaeum.org.au)



# **The Melbourne Athenaeum Inc.**

Reg. No. A0010369T

## **Financial Statements**

For the Year Ended 31 December 2018

**The Melbourne Athenaeum Inc.**

Reg. No. A0010369T

**Contents**

**For the Year Ended 31 December 2018**

	<b>Page</b>
<b>Financial Statements</b>	
Committee's Report	1
Auditor's Independence Declaration	2
Statement of Income and Expenditure	3
Statement of Financial Position	4
Statement of Changes in Members' Funds	5
Statement of Cash Flows	6
Notes to the Financial Statements	7
Statement by Members of the Committee	14
Independent Audit Report	15
Disclaimer	17
Income and Expenditure Account	18



## **Committee's Report**

**31 December 2018**

The Committee members submit the financial report of the Association for the financial year ended 31 December 2018.

### **1. General information**

#### **Committee Members**

The names of the Committee members at any time during, or since the end of, the year are:

<b>Names</b>	<b>Position</b>	<b>Resigned</b>	<b>Appointed</b>
Don Smith	President		
Sophie Arnold	Vice-President		18 April 2018
Andrew Barnes	Vice-President	18 April 2018	
Kevin Quigley	Treasurer		
Louise Box	Committee member		
Marianne Dunham	Committee member		
Michael Fawaz	Committee member		
Christine Gibbs	Committee member		
Matthew Gisborne	Committee member		
Barbara Gliddon	Committee member		
Matt Balmford	Committee member		18 April 2018

Committee members have been in office since the start of the financial year to the date of this report unless otherwise stated.

#### **Principal activities**

The principal activities of the Association during the financial year were to manage a heritage building, provide a library and encourage cultural activity.

#### **Significant changes**


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

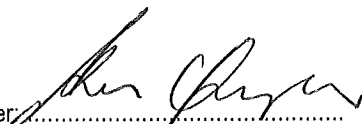
### **2. Operating results and review of operations for the year**

#### **Operating result**

The surplus of the Association for the financial year amounted to \$ 2,140 (2017: \$ 9,107).

Signed in accordance with a resolution of the Members of the Committee:

President:   
Don Smith

Treasurer:   
Kevin Quigley

Dated 21 March 2019

**The Melbourne Athenaeum Inc.**

Reg. No. A0010369T

## **Auditor's Independence Declaration to the Committee of The Melbourne Athenaeum Inc.**

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2018, there have been:

- (i) no contraventions of the auditor independence requirements in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Andrew Fisher, Partner (auditor registration number 306364) on behalf of  
Banks Group Assurance Pty Ltd, Chartered Accountants  
Authorised audit company registration number 294178 (ACN 115 749 598)

21 March 2019

Melbourne, Australia

# Statement of Income and Expenditure

## For the Year Ended 31 December 2018

	Note	2018 \$	2017 \$
<b>Income</b>			
Revenue	2	593,717	573,625
Other income	2	16,855	11,610
<b>Total income</b>		<b>610,572</b>	<b>585,235</b>
<b>Expenses</b>			
Advertising and promotion		8,515	8,681
Depreciation and amortisation expense		35,814	35,111
Employee benefits expense		237,647	241,272
Insurance		43,447	53,200
Office and administration costs		29,032	22,030
Other expenses		150,165	129,839
Repairs and maintenance		75,127	57,459
Rates, taxes and land tax		28,685	28,536
<b>Total expenses</b>		<b>608,432</b>	<b>576,128</b>
<b>Surplus attributable to members</b>		<b>2,140</b>	<b>9,107</b>
<b>Other comprehensive income</b>			
Revaluation changes for property, plant and equipment		-	5,791,613
Revaluation changes for financial assets		(6,058)	-
<b>Total comprehensive income for the year</b>		<b>(3,918)</b>	<b>5,800,720</b>



**The Melbourne Athenaeum Inc.**

Reg. No. A0010369T

**Statement of Financial Position****31 December 2018**

	Note	2018 \$	2017 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	428,675	479,401
Receivables	4	867	1,047
Other financial assets	5	48,756	-
Other non-financial assets	6	20,412	27,443
<b>TOTAL CURRENT ASSETS</b>		<b>498,710</b>	<b>507,891</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	8,658,498	8,679,763
<b>TOTAL NON-CURRENT ASSETS</b>		<b>8,658,498</b>	<b>8,679,763</b>
<b>TOTAL ASSETS</b>		<b>9,157,208</b>	<b>9,187,654</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	8	31,459	39,282
Employee benefits	9	39,761	40,010
Other liabilities	10	20,517	38,973
<b>TOTAL CURRENT LIABILITIES</b>		<b>91,737</b>	<b>118,265</b>
<b>NON-CURRENT LIABILITIES</b>			
<b>TOTAL LIABILITIES</b>		<b>91,737</b>	<b>118,265</b>
<b>NET ASSETS</b>		<b>9,065,471</b>	<b>9,069,389</b>
<b>MEMBERS' FUNDS</b>			
Asset revaluation reserve		5,791,613	5,791,613
Investment revaluation reserve		(6,058)	-
Accumulated surplus		3,279,916	3,277,776
<b>TOTAL MEMBERS' FUNDS</b>		<b>9,065,471</b>	<b>9,069,389</b>

The accompanying notes form part of these financial statements.

## Statement of Changes in Members' Funds

For the Year Ended 31 December 2018

2018

	Accumulated surplus	Asset Revaluation Reserve	Investment Revaluation Reserve	Total
	\$	\$	\$	\$
Balance at 1 January 2018	3,277,776	5,791,613	-	9,069,389
Surplus attributable to members	2,140	-	-	2,140
Revaluation changes for financial assets	-	-	(6,058)	(6,058)
Balance at 31 December 2018	3,279,916	5,791,613	(6,058)	9,065,471

2017

	Accumulated surplus	Asset Revaluation Reserve	Investment Revaluation Reserve	Total
	\$	\$	\$	\$
Balance at 1 January 2017	3,268,669	-	-	3,268,669
Surplus attributable to members	9,107	-	-	9,107
Revaluation changes for property, plant and equipment	-	5,791,613	-	5,791,613
Balance at 31 December 2017	3,277,776	5,791,613	-	9,069,389

**The Melbourne Athenaeum Inc.**

Reg. No. A0010369T

**Statement of Cash Flows****For the Year Ended 31 December 2018**

	<b>2018</b>	<b>2017</b>
<b>Note</b>	<b>\$</b>	<b>\$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from subscriptions	<b>68,781</b>	63,160
Payments to suppliers and employees	<b>(640,266)</b>	(572,775)
Rental income	<b>554,100</b>	585,224
Interest received	<b>11,320</b>	11,610
Receipt from grants and other income	<b>24,702</b>	2,750
Net cash provided by operating activities	<b>11 18,637</b>	89,969
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment	<b>(14,549)</b>	(41,527)
Purchase of financial assets	<b>(54,814)</b>	-
Net cash used in investing activities	<b>(69,363)</b>	(41,527)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Net (decrease)/increase in cash and cash equivalents held	<b>(50,726)</b>	48,442
Cash and cash equivalents at beginning of year	<b>479,401</b>	430,959
Cash and cash equivalents at end of financial year	<b>3 428,675</b>	479,401

The accompanying notes form part of these financial statements.



## **Notes to the Financial Statements**

**For the Year Ended 31 December 2018**

### **1 Summary of Significant Accounting Policies**

#### **(a) Basis of Preparation**

This financial report is a special purpose financial statement prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Reform Act 2012. The Committee has determined that the not-for-profit Association is not a reporting entity.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* and AASB 1054 *Australian Additional Disclosures*.

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

The functional and presentation currency of the Melbourne Athenaeum Inc. is Australian dollars. Comparatives are consistent with prior years, unless otherwise stated.

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

#### **(b) Income Tax**

The Association is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

#### **(c) Revenue and Other Income**

Interest revenue is recognised using the effective interest rate method.

Grant and donation revenue is recognised when the association obtains control over the funds. Revenue from membership subscriptions is recognised on a cash basis

Investment property revenue is recognised as and when receivable under the terms of the lease agreements with the property tenants.

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

#### **Other income**

Other income is recognised on an accruals basis when the Association is entitled to it.

#### **(d) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

## **Notes to the Financial Statements**

**For the Year Ended 31 December 2018**

### **1 Summary of Significant Accounting Policies continued**

#### **(e) Property, Plant and Equipment**

##### **Property**

The land was purchased in 1842 and there have been no comparable sales in the immediate area for some time. In 2017 the Committee decided to value the land component of the Property to that calculated by the Tax Office for Land Tax purposes of \$3,060,000 resulting in a credit to the Asset Revaluation Reserve of \$3,060,000.

The building is a valuable heritage site and heavily protected by heritage orders. It is also subject to constant renovation and restoration. The replacement cost is difficult to determine so in 2017 the Committee decided to revalue it on the basis of its economic worth to The Melbourne Athenaeum, being a discounted calculation of actual and implied rentals for the next ten years. This resulted in a valuation of \$5,000,000 and a transfer to the Asset Revaluation Reserve of \$2,610,956.

##### **Plant and Equipment**

Plant and Equipment is carried at cost less depreciation over the useful life of the assets.

##### **The Book Collection**

In 2017 the Committee re-valued The Book Collection from the carrying value in 2016 of \$179,343 to \$300,000, resulting in a transfer to the revaluation reserve of \$120,657.

The valuation reflects the current replacement cost, based on the average purchase price of books during 2017 discounted by 50% to reflect the average age of The Book Collection.

#### **(f) Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of six months or less.

#### **(g) Employee benefits**

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than twelve months after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Changes in the measurement of the liability are recognised in income and expenditure.

Employee benefits are presented as current liabilities in the statement of financial position if the Association does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

## Notes to the Financial Statements

### For the Year Ended 31 December 2018

#### 2 Revenue and Other Income

##### Revenue from continuing operations

	2018	2017
	\$	\$
Revenue		
- Grant income	7,500	2,500
- Provision of services	1,747	2,529
- Rental income	487,659	476,800
- Member subscriptions	62,565	57,418
- Other trading revenue	34,246	34,378
<b>Total operating revenue</b>	<b>593,717</b>	<b>573,625</b>
Other revenue		
- Interest and investment income	16,855	11,610
<b>Total other revenue</b>	<b>16,855</b>	<b>11,610</b>
<b>Total Revenue</b>	<b>610,572</b>	<b>585,235</b>

#### 3 Cash and cash equivalents

	2018	2017
	\$	\$
Cash and cash equivalents	428,675	479,401
<b>Cash and cash equivalents</b>	<b>428,675</b>	<b>479,401</b>

#### 4 Receivables

	2018	2017
	\$	\$
CURRENT		
Receivables	9,535	7,219
Provision for impairment	(8,668)	(6,172)
<b>Total current receivables</b>	<b>867</b>	<b>1,047</b>

The carrying value of receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.



## Notes to the Financial Statements

For the Year Ended 31 December 2018

### 5 Other Financial Assets

	2018	2017
	\$	\$
CURRENT		
Opening Black Rock investment	50,000	-
June 2018 distribution reinvested	4,814	-
Revaluation of investment	(6,058)	-
	<u>48,756</u>	<u>-</u>
<b>Closing value</b>	<b>48,756</b>	<b>-</b>

### 6 Other non-financial assets

	2018	2017
	\$	\$
CURRENT		
Prepayments	20,412	27,443
	<u>20,412</u>	<u>27,443</u>
<b>Total non-financial assets</b>	<b>20,412</b>	<b>27,443</b>

## Notes to the Financial Statements

For the Year Ended 31 December 2018

### 7 Property, plant and equipment

	2018 \$	2017 \$
PROPERTY		
At Committee's valuation	8,060,000	8,060,000
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	121,834	120,961
Accumulated depreciation	(92,594)	(87,146)
Total plant and equipment	29,240	33,815
Furniture, fixtures and fittings		
At cost	216,341	205,421
Accumulated depreciation	(101,694)	(88,894)
Total furniture, fixtures and fittings	114,647	116,527
Office equipment		
At cost	81,271	79,141
Accumulated depreciation	(70,784)	(66,384)
Total office equipment	10,487	12,757
The Book Collection		
At Committee's valuation	300,000	300,000
Theatre Fittings		
At cost	250,694	250,694
Accumulated depreciation	(106,570)	(94,030)
Total theatre fittings	144,124	156,664
Total plant and equipment	598,498	619,763
<b>Total property, plant and equipment</b>	<b>8,658,498</b>	<b>8,679,763</b>

## Notes to the Financial Statements

For the Year Ended 31 December 2018

### 8 Trade and other payables

	2018	2017
	\$	\$
CURRENT		
Unsecured liabilities		
Trade payables	8,613	12,834
GST payable	6,947	9,947
Sundry payables and accruals	15,899	16,473
Other payables	-	28
<b>Total trade and other payables</b>	<b>31,459</b>	<b>39,282</b>

### 9 Employee Benefits

	2018	2017
	\$	\$
Current liabilities		
Provision for employee benefits	39,761	40,010
<b>Total employee benefits</b>	<b>39,761</b>	<b>40,010</b>

### 10 Other liabilities

	2018	2017
	\$	\$
CURRENT		
Income received in advance	20,517	38,973
<b>Total other liabilities</b>	<b>20,517</b>	<b>38,973</b>

### 11 Cash Flow Information

#### Reconciliation of result for the year to cashflows from operating activities

	2018	2017
	\$	\$
Surplus for the year	2,140	9,107
Cash flows excluded from surplus attributable to operating activities		
Non-cash flows in surplus:		
- depreciation	35,814	35,111
Changes in assets and liabilities:		
- decrease/(increase) in receivables	180	(211)
- decrease in other non-financial assets	7,031	2,826
- (decrease)/increase in trade and other payables	(7,823)	5,863
- (decrease)/increase in other liabilities	(18,456)	18,526
- (decrease)/increase in employee benefits	(249)	18,747
<b>Cashflow from operations</b>	<b>18,637</b>	<b>89,969</b>



## **Notes to the Financial Statements**

**For the Year Ended 31 December 2018**

### **12 Remuneration of Auditors**

	2018	2017
	\$	\$
Remuneration of the auditor of the Association, Banks Group Assurance Pty Ltd, for:		
- Auditing or reviewing the financial report	6,500	6,500

### **13 The Melbourne Athenaeum Deductible Gift Recipient Fund**

The Melbourne Athenaeum Deductible Gift Recipient Fund was created to keep donations separate from the Athenaeum's general funds and facilitate the tax deductibility of donations, in accordance with the requirements of tax legislation and related guidance. For accounting purposes, the fund is treated as a separate entity to the Melbourne Athenaeum Incorporated and its income and expenditure is not incorporated in these accounts.

### **14 Contingencies**

In the opinion of the Committee of Management, the Association did not have any contingencies at 31 December 2018 (31 December 2017: None).

### **15 Events Occurring After the Reporting Date**

The financial report was authorised for issue on 21 March 2019 by the Committee of Management.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

### **16 Association Details**

The registered office of the association is:  
The Melbourne Athenaeum Inc.  
188 Collins Street  
MELBOURNE VIC 3000

## **Statement by Members of the Committee**

The Committee has determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Committee the financial report as set out on pages 3 to 13:

1. Presents fairly the financial position of The Melbourne Athenaeum Inc. as at 31 December 2018 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that The Melbourne Athenaeum Inc. will be able to pay its debts as and when they fall due.

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

President .....  
Don Smith

Treasurer .....  
Kevin Quigley

Dated 21 March 2019

The Melbourne Athenaeum Inc.

## Independent Audit Report to the members of The Melbourne Athenaeum Inc.

### Report on the Audit of the Financial Report

#### Opinion

We have audited the accompanying financial report, being a special purpose financial report of The Melbourne Athenaeum Inc. (the Association), which comprises the statement of financial position as at 31 December 2018, the statement of income and expenditure, the statement of changes in members' funds and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by members of the Committee.

In our opinion, the accompanying financial report of the Association for the year ended 31 December 2018 is prepared, in all material respects, in accordance with the Associations Incorporation Reform Act 2012.

#### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Association in accordance with the auditor independence requirements of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

#### Emphasis of Matter - Basis of Accounting

We draw attention to Note 1(a) of the financial report, which describes the basis of accounting. The financial report is prepared to assist the Association in complying with the financial reporting provisions of the Associations Incorporations Reform Act 2012. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the Association and should not be distributed to or used by parties other than the Association. Our opinion is not modified in respect of this matter.

#### Responsibilities of Officers and Those Charged with Governance

The officers of The Melbourne Athenaeum Inc. are responsible for the preparation and fair presentation of the financial report in accordance with the Associations Incorporation Reform Act 2012, and for such internal control as the officers determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the officers are responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the officers either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

The Melbourne Athenaeum Inc.

## Independent Audit Report to the members of The Melbourne Athenaeum Inc.

### Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.



Banks Group Assurance, Chartered Accountants  
Authorised audit company number 294178 (ACN 115 749 598)



Andrew Fisher FCA, Partner  
Registration number 306364

Melbourne, Australia.

21 March 2019

The Melbourne Athenaeum Inc. Reg. No. A0010369T

## Disclaimer

For the Year Ended 31 December 2018

The additional financial data presented on page 18 is in accordance with the books and records of the Association which have been subjected to the auditing procedures applied in our statutory audit of the Association for the year ended 31 December 2018. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than The Melbourne Athenaeum Inc.) in respect of such data, including any errors or omissions therein however caused.



Banks Group Assurance, Chartered Accountants  
Authorised audit company number 294178 (ACN 115 749 598)



Andrew Fisher FCA, Partner  
Registration number 306364

Melbourne, Australia.  
21 March 2019



**The Melbourne Athenaeum Inc.**

Reg. No. A0010369T

**Income and Expenditure Account****For the Year Ended 31 December 2018**

	2018	2017
	\$	\$
<b>Income</b>		
Member subscriptions	62,565	57,418
Operating grants	7,500	2,500
Other income	16,855	11,610
Other trading revenue	34,246	34,378
Provision of services	1,747	2,529
Rental revenue for property investment	487,659	476,800
<b>Total Income</b>	<b>610,572</b>	<b>585,235</b>
<b>Less: Expenses</b>		
Accounting fees	(25,150)	(24,893)
Advertising and promotion	(8,515)	(8,681)
Auditor's remuneration	(6,202)	(5,600)
Bank charges	(744)	(928)
Board and AGM expenses	(1,719)	(1,139)
Book purchases	(33,431)	(35,560)
Cleaning	(6,911)	(16,601)
Computer expenses	(14,208)	(12,994)
Consultancy	(21,150)	-
Depreciation	(35,814)	(35,111)
Electricity	(3,842)	(4,346)
Freight and cartage	(127)	(274)
Insurance	(7,874)	(8,827)
Insurance - Building	(35,573)	(44,373)
Land tax	(25,318)	(25,318)
Magazines, journals and periodicals	(2,867)	(2,680)
Member functions and newsletters	(1,542)	(2,171)
Office supplies	(1,408)	(1,894)
Postage	(6,485)	(2,853)
Printing and stationery	(5,953)	(6,755)
Provision long service leave	(2,070)	(14,216)
Rates and taxes	(3,366)	(3,217)
Repairs and maintenance	(75,128)	(57,459)
Salaries and wages	(210,486)	(202,900)
Staff training	(5,534)	(6,712)
Subscriptions	(1,867)	(1,881)
Sundry expenses	(39,774)	(25,539)
Superannuation contributions	(19,557)	(17,444)
Telephone	(4,944)	(4,978)
Workers' compensation insurance	(873)	(784)
<b>Total Expenses</b>	<b>(608,432)</b>	<b>(576,128)</b>
<b>Surplus</b>	<b>2,140</b>	<b>9,107</b>