

Annual Report

2015-16

Emma Field
Coverage of Community
and Regional Affairs
2015

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Financial report:
Walkley Foundation Limited

The Walkley Foundation
celebrates and encourages
great Australian journalism,
telling the stories of our
nation and strengthening
our democracy.

Letter from the Chair

The tremendous value of journalism to the public is on display every day.

Sometimes it reforms the system, like Caro Meldrum-Hanna, Sam Clark and Max Murch's expose of animal cruelty in the greyhound industry. Sometimes it puts money back in people's pockets, like Fairfax's 2016 investigation of a deal between the shop workers' union and big retailers and fast-food companies.

Sometimes it helps us understand the root causes of our problems, like the stories by Jess Hill on domestic violence that won the Gold in the inaugural Our Watch Awards in 2015.

We value the little stories as well as the big ones. Hundreds of stories appear across Australia every day, in every medium, that all add up to informing the public about how our world works and who we are. Journalists tell the stories of Australia. We need to protect and celebrate those stories.

That's the Walkley Foundation's mission. That's why we're at the heart of the media.

Yet our media makers and companies are still roiling with change. Big redundancies continued this year, and no one has yet found the secret to revenue in this digital disruption. At the same time, we're seeing stories emerge in creative new forms, from virtual reality to graphic journalism. And we take heart in the fact that the number and quality of Walkley Award entries have stayed consistent despite the industry's tough times. Great journalism is happening all the time.

The Walkleys are guiding the industry through these changes, whether through our awards programs, professional development events like Storyology, our innovation grants, our magazine or our first ever news hackathon.

And we need everyone to join us.

This year marked a big change for us, one that we hope will help us build a community of supporters. The Walkley Foundation was granted deductible gift recipient status in 2016, meaning donations to the Walkleys are now tax deductible.



Quentin
Dempster,
Chair, Walkley
Board of
Trustees

Journalists tell the stories of Australia. We need to protect and celebrate those stories.

I believe so strongly in the Walkleys' role in a sustainable Australian media that I made a bequest to the Foundation.

Looking back on the year, I'm so proud of the work the Walkley Foundation has done. I hope this report will give you a sense of what journalists can do for the world — and what we can all do for it if we work together.

CEO report

Encouraging innovation continues to be a priority for the Walkleys, whether we're funding creative projects, encouraging journalists to mix with technologists at our hackathon, or featuring the work of journalists who are reinventing their craft.

It feels good to be recognised by one's peers, and the Walkley Awards are the best and the most coveted in the industry. The integrity associated with the judging and entry process has been honed over 60 years and is second to none, and we are proud to deliver awards that benchmark what the best looks like. We're looking forward to hearing insights from Australian journalists about how their work has changed in our review of the awards over 2016-2017.

We're also proud to be independently funded. The Walkleys have wide industry support not only from the media organisations who partner with us, but also the many senior journalists who volunteer their vital contributions — as award judges, magazine contributors, speakers and trainers.

Jacqui Park spent the US academic year at Stanford University in the heart of Silicon Valley as a John S Knight Fellow, developing the Foundations innovation program and designing a range of responses to help sustain and build quality Australian journalism through the industry's upheaval.

During this time Louisa Graham acted as CEO and together the rest of team Walkleys continued our work delivering a vibrant national program of awards,

conferences, training and professional development opportunities for Australian journalists that you can read about in these pages.

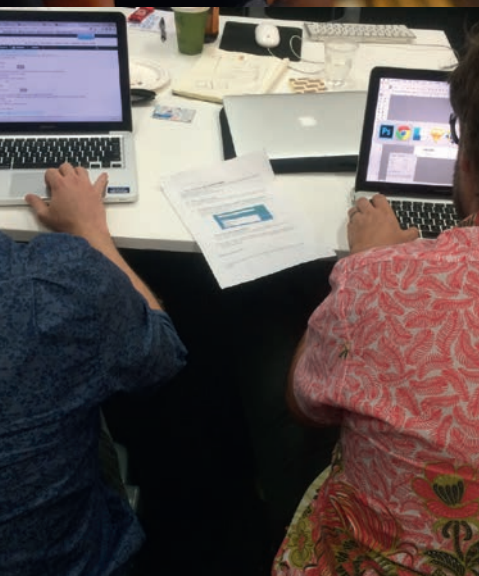
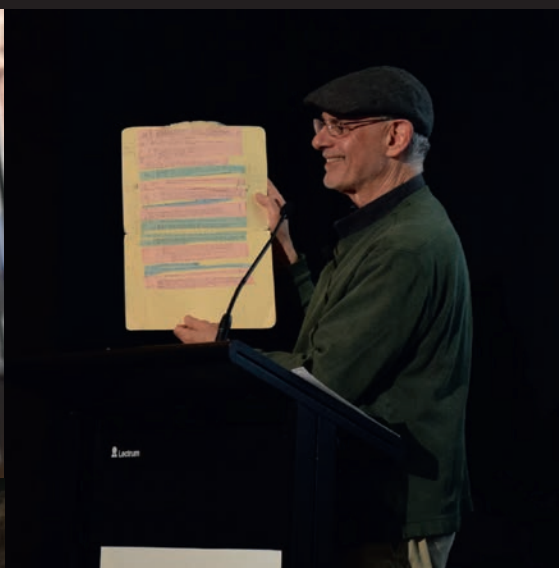
Thanks as well go to the small, tight-knit Walkleys team that is the backbone of this organisation. We're inspired every day by their hard work, commitment to encouraging great journalism and good humour.

— Jacqui Park and Louisa Graham

Thanks as well go to the small, tight-knit Walkleys team that is the backbone of this organisation. I'm inspired every day by their hard work, commitment to encouraging great journalism and good humour.



🔥 Highlights from 2015-2016



Program reports



Encouraging excellence

The annual Walkley Awards benchmark excellence for Australian journalism. First offered in 1956, the main awards have expanded to 34 categories spanning all platforms, as well as mid-year awards for categories of growing importance to the industry.

- After finalist announcements in Sydney and Melbourne, the Foundation held the **60th Walkley Awards for Excellence in Journalism gala ceremony** in Melbourne. Thanks to our broadcast partner Sky News, the event streamed live on A-PAC and, for the first time, on the Walkleys website. The gala featured David Speers as MC and journalist-rocker Waleed Aly covering Pink Floyd's "Comfortably Numb", while the broadcast included 20-minute clips from the longlisted documentaries.
- Our first **Mid-Year Awards Celebration**, in Sydney in June 2015, recognised the winners of the Young Australian Journalist of the Year Awards, Walkley Freelancer of the Year Award, Walkley Innovation Grants winners and the Jacoby-Walkley Scholarship. By celebrating all of these programs and award winners this night becomes a key date on the Walkleys calendar and a great way to celebrate

the future of journalism. Entries are steady for the Young Journalist awards and growing for Freelance.

- The foundation opened entries in May 2016 for a new award in the mid-year program, the **Women's Leadership in Media Award**.
- In 2015 the Walkleys administered the inaugural **Our Watch Awards** on behalf of the nonprofit advocacy group Our Watch Australia. The awards recognise the best journalism on violence against women and children.
- The Walkleys ran the **State Media Awards** on behalf of MEAA. Held annually in Tasmania, Queensland, South Australia, Western Australia, NSW and the Northern Territory, all the state media awards programs have grown steadily.

🔥 2015 awards by the numbers

34

Walkley Award categories

177

Our Watch Award entries

138

Judges participating

1,148

State Media Award entries

1,349

Entries

47

Walkley Freelancer of the Year entries

60

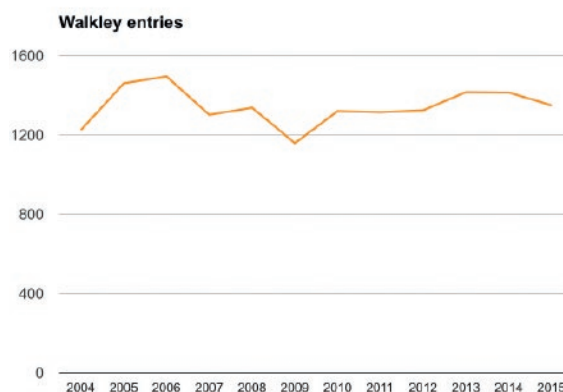
Walkley Book Award entries

25

Walkley Documentary Award entries

119

Young Australian Journalist of the Year entries



Looking ahead

We're reviewing the awards program in 2016 to ensure it reflects current industry standards and practices; the last review was in 2013. The review incorporates employment and awards data, industry stakeholder interviews and public comments. Share your thoughts at bit.ly/walkleyreview by Feb. 28, 2017.



Diary of a Walkleys judge

Channel Nine journalist Brett McLeod reflected in the Walkley Magazine on his experience judging the Commentary category in 2015.

Eventually, after 45 minutes of back and forth that was actually like an especially genteel shuttlecock match, we came up with a list of six names. Reducing that to the required three names took another 45 minutes of going round the bases over and

over, arguing for each of our favourites, later arguing against ourselves, before at last reaching agreement.

One thing we judges were unanimous on from the start: we were sorry we couldn't pick more finalists; so many more entries were worthy.

To all who entered, thank you. This has been a big task, but one of the most rewarding I have ever been given.

Promote the value of journalism

With journalism under pressure and public support for journalism challenged, the Walkleys have a natural role of creating public value and greater understanding of journalism, including building support for journalists who are threatened in our region.

Central to this strategy is our public and industry outreach through talks and exhibition programs, festival engagement and Storyology – all creating opportunities for journalists to explain and discuss their craft and the role it plays in civil society. We'll continue to nurture the relationships that support this outreach and look for new platforms.

Promoting press freedom

The **2016 Press Freedom Australia Dinner** was held on May 6 to raise money for the Media Safety and Solidarity Fund (MSSF), which helps the children of slain journalists. More than 300 people attended the event at the Ivy Ballroom, Sydney, which was hosted by Melissa Doyle AM of Channel Seven. The dinner is managed by the Walkley Foundation on behalf of MEAA, and also promotes the release of the annual State of Press Freedom in Australia Report (pressfreedom.org.au).

Fairfax investigative journalist and 2014 Gold Walkley winner Adele Ferguson gave a call to arms on whistleblower protections. We published her speech as a podcast and in the online and print Walkley Magazine. The Chaser's Craig Reucassel led an auction that raised \$22,750 for the MSSF.

The unsettling news in 2016 that the Australian government had acquired the phone metadata of Guardian Australia journalist Paul Farrell underscored the need for journalists to protect their sources, and for the public to understand the risks. We organised a Walkley Media Talk featuring Farrell on the topic, taught journalists hands-on information security at a Sydney Future Friday workshop with local privacy advocates CryptoParty, and made press freedom a focus for magazine pieces.

Festivals, exhibitions and other public events

In Sydney, our bimonthly **Walkley Media Talks**, at the State Library of New South Wales, are panel discussions featuring leading journalists and other experts. They provide a window for the public into how the media works and a forum for debating its role in contemporary issues.

In 2015 we again partnered with the India International Centre (IIC) to host a documentary festival for our 2014 finalists in New Delhi "Stories from Australia: A Festival of Award Winning Films". We supported the travel of Walkley award winners Pat Fiske, Martin Butler and Liz Jackson to attend the festival and present their work and discuss the Australian documentary film industry.

The Walkley Documentary Award 2015 longlist screened in Sydney, at the State Library of New South Wales. We also took the films to India, where they screened at the Mumbai International Film Festival; filmmaker Harry Bardwell joined and presented his work to students and the public.

Collaboration continues with writers' festivals in Sydney, Byron Bay, Perth and Indonesia (Ubud, in Bali) to develop panels of award nominees, journalists and authors to promote Walkley Award winners' work and discussion of journalism.

The foundation helped fund 2014 Documentary Award winner Dan Goldberg's trip to Hot Docs in Canada.

In March 2015, 2014 Walkley Book Award winner, Paul Kelly, travelled to China to take part in the Australian embassy-supported Australian Writers Week and Beijing Writers Festival, with events in Beijing and Shanghai. He was also invited to travel to Tokyo to speak to Japanese academics and the embassy.

Once again, we organised the **Nikon-Walkley Press Photography Exhibition**; this year, finalists' photographs were shown in Adelaide, Newcastle, the Sunshine Coast, Sydney and Brisbane.

Our **Slide Night** in Sydney attracted over 25 entries and was a great event to showcase to the public the personal projects of some of our best photojournalists.

Press freedom in the Walkley Magazine

We need our whistleblowers. But it's harder than ever to protect them.
Blog post, March 2016

Sorry, the easy days of investigative reporting are over
Podcast, April 2016

Nerd Box: How the ABC made the creepiness of metadata personal
Feature, April 2016

Whistleblowers need more protection
Transcript of Adele Ferguson's Press Freedom Australia Dinner speech, May 2016

Journos, we want to help you protect your sources
Blog post, June 2016

Guide the industry and craft through change



Breakfast buzz at Storyology 2015

Storyology

Storyology, our annual media festival, was staged Nov. 11–14, 2015, in Sydney, with a conference at Paddington's Chauvel Cinema, workshops at MEAA in Redfern, and pop-up talks and workshops in Melbourne and Brisbane. Highlights included a drawing workshop from Dan Archer, Washington Post digital guru Jeremy Gilbert, the Black Comedy team and screenwriter Robyn Butler, as well as leaders from Storyful, Mashable, Twitter and Upworthy. We offered 10 scholarships to journalists thanks to the Copyright Agency Cultural Fund, and ran a newsroom of student journalists with the support of the University of New South Wales.

“It is far too easy to fall into habits, even recent ones, and ignore the latest best practice. That is what I need from Storyology: Challenge my norms, extend my thoughts and hopefully blow my mind. Update my best practice.” – Giles Hardie, CAL scholarship recipient

“Storyology provides the opportunity to be exposed to the ground breakers, earth shifters and digital disruptors in today's media landscape. To learn from and be inspired by them, take their offerings into my studies and work practices, and in doing so help pave the professional road to becoming one of them.”

– Paul Bugeja, CAL scholarship recipient

Some 2015 sessions

- **Now add funny:** Robyn Butler's tales from the telly
- **Reading the readers:** Putting data to work
- **WaPo's marriage of storytelling and tech**
- **Building a world:** Immersive visual storytelling
- **Deep impact:** When making great journalism makes a difference, with Adele Ferguson

Storyology by the numbers

550+
Participants

85
Speakers

11
Countries
represented

28
Partners

“Very inspiring,
informative & practical.”

Amanda Mackevicius, freelance writer/editor

Training and community-building

The **Walkley Freelance Focus Conference** was held in Brisbane in August 2015. A one-day conference plus workshops and networking, it featured the keynote speaker Noah Rosenberg, from Narrative.ly (US).

CommsDirect, a media training for communications professionals, was held in Melbourne in June 2016. The one-day conference was complemented with workshops, and included topics like branded content, podcasting, communicating science and nonprofit storytelling.

Overall, we conducted trainings for journalists in four states that covered digital media skills, photojournalism, impact metrics, data journalism and narrative nonfiction, and attracted nearly 400 participants. And **Future Fridays**, our casual monthly talks and workshops on the future of journalism, returned with topics like monetising podcasts and magazines' digital future. These events are essential not only for the skills but as networking events for journalists across the country.



Opportunities for young journalists

The 2015 Young Australian Journalist of the Year, Amy McNeillage, travelled to New York with the support of Cathay Pacific, visiting the newsrooms of prize sponsors Twitter, CNN, and the Huffington Post.

Supported by a bequest from Anita Jacoby, the Nine Network and AFTRS, the **Jacoby-Walkley Scholarship** moved into its third year in 2015. This year, the panel chose UNSW student Annalise Bolt, who won internships at Channel Nine and The Walkley Foundation. Bolt was hired as a producer at Nine News in Perth after her scholarship.

The Walkley Foundation also offers a comprehensive journalism internships program throughout the year for final-year university students, who can receive course credit for their participation.



Annalise Bolt, on her time at Nine and the Walkleys:

I chased crime, followed the plummeting Aussie dollar, attended NRL practice and questioned Bill Shorten. I wrote dad jokes for Karl Stefanovic at the Today Show, went bush in search of Tasmanian devils with Charles Wooley at 60 Minutes and was greeted most mornings at Nine News by a smiling Peter Overton. And I wasn't just an anonymous intern; I was mentored by producers, reporters, presenters, chiefs of staff, crew and editors across the newsroom and learnt more about news than during my entire time at university.

At the Walkley Foundation I experienced every media nerd's dream: sitting in on the Walkley judging. Being a fly on the wall in a room full of Australia's best and most experienced journalists discussing the most important stories of the year was unreal.

Annalise Bolt, 2015 Jacoby-Walkley Scholarship winner

Innovation

The innovation program expanded in 2016 as we presented Australia's first news hackathon. Part of the Global Editors Network's international Editors Lab series, with major support from Google, the event at Macleay College in Sydney brought together teams of journalists, developers, designers as well as freelancers and university students. The *West Australian* team won the jury award — a trip to compete in the international Editors Lab Final in Vienna — and the people's choice award. Tableau Public, Google, the OpenAustralia Foundation and Sydney-based startup experts Fusion Labs helped with workshops, support or mentoring.

The hackathon gave teams two days out of the daily

news cycle to build something creative. It also brought together Australia's data journalists for the first time. We're keen to keep building this community to help those at the vanguard of journalistic innovation learn from and support each other.

Innovation grants

The cornerstone of the Walkley Foundation Innovation Program is a pool of seed funding, offered annually since 2013 for proposals for innovative projects in journalism, media and storytelling, with the support of Google Australia. The 2016 grant cycle opened for applications in May 2016 and extended into the 2016-2017 fiscal year.



Ben Martin, Joe Hardy and Sophia Lewis of the *West Australian* at the Editors Lab Final in Vienna, Austria.

What participants got out of our hackathon

- “Never let the big picture drown out the value of refined, focused, incremental thinking.”
- “We don’t need months and board meetings to create innovative technology we can actually use.”
- “Meeting all the best people doing this work in Australia.”

What's next for our innovation program

Thoughts from Walkley CEO Jacqui Park, upon her return from studying journalism innovation in Silicon Valley:

The big hole in the Australian journalism innovation infrastructure is an industry-supported incubator or accelerator like Matter in the U.S. or MediaHack in India. This is the next step for the Walkleys.

We will all learn and benefit if we bring together the experience and trust of the big media with the startup energy and ideas of innovators to create a safe space to share, test and build the future.

Through the Walkleys, we can develop a funding stream and mentor the ecosystem to support creativity that builds a 21st-century journalism that our audiences embrace. No one knows what this will look like, even in five years' time. But we know this: Now is the time for trying new things, testing quickly to see what works and moving forward.

International media exchanges

Through partnerships with the Australian government we continue to organise and coordinate media exchanges with South Korea and India, building knowledge and connections as we host senior journalists and send our own abroad. These trips provide a broad introduction to each country through meetings, tours and interviews with key figures, and are tailored to the specific journalists whenever possible. The foundation plans to continue

In May 2016, the Walkley Foundation hosted two senior Indian journalists for the **Australia-India Media Exchange Program**, organised in partnership with the Australia-India Council; the Australian visit to India was in April 2015.

Following on from the May 2015 Australian leg of the **Australia-Korea Media Exchange**, in September 2015 three Australian journalists and a Walkley staffer flew to South Korea for a whirlwind week organised by our exchange partner the Korea Press Foundation. In April 2016 we hosted a delegation of Korean journalists who travelled to Sydney, Dubbo and Melbourne.



CREDIT: ROD EMMERSON

Be at the heart of the media

The Walkleys aim to help journalists learn from each other. *The Walkley Magazine* reaches 5,900 media professionals and subscribers in print, and many more online via walkleys.com. Written by and for journalists, the magazine features great work, shares best practices and discusses big issues. In 2015, we began a transition to online publishing, facilitated by the hire of journalist Kate Golden as a new multimedia manager, that is ongoing. It included modernising the website's reading experience, publishing much more online and beefing up audience engagement via social media and our newsletter. By December 2015, we were publishing nearly the entire magazine online. In 2015 we reduced the print issues to three from four, and 2016 will see two published.

To help journalists navigate this age of disruption, we started a series featuring data-driven journalism called Nerd Box. It's essential to keep our sense of humour, too: Our most popular article was a humour piece by Charles Purcell, who has since become our irregular columnist parodying the industry. We are grateful to the many journalists who contribute as a way to give back.

Late in the fiscal year, we rebooted the WalkleyTalks podcast with studio space at 2SER, at the University of Sydney, to aid its production. In 2016-2017, we'll run the best sessions from Storyology on the podcast to spread the festival's lessons, best practices and inspiration to a wider audience.

Our social media presence has gradually grown, with a Twitter audience of more than 16,000 by the end of the financial year and 7,200 Facebook likes. As has emerged across the industry, though, our newsletter has proved to be some of our most valuable social engagement. Consequently, starting in late 2015 we overhauled the design, approach and data management of our newsletter and will continue to focus on building readership and engagement in 2016-2017.



Matt Huynh's cover for Issue 85, December 2015

Some recent *Walkley Magazine* contributors

Geoff Hook • Fiona Katauskas • John Shakespeare • Pat Campbell • Beau Donnelly • Marina Go • Brett Costello • Adele Ferguson • Robyn Butler • Cathy Wilcox • Dan Archer • Jon Kudelka

Favorite yarns

Time zone hacks: European news agencies make night into day

Sydney has become a hub for European news agency journalists to report in real time and save themselves the overnight shift. Malin Andersson, December 2015.

Lone star: The startling success of the Texas Tribune's non-profit investigative journalism

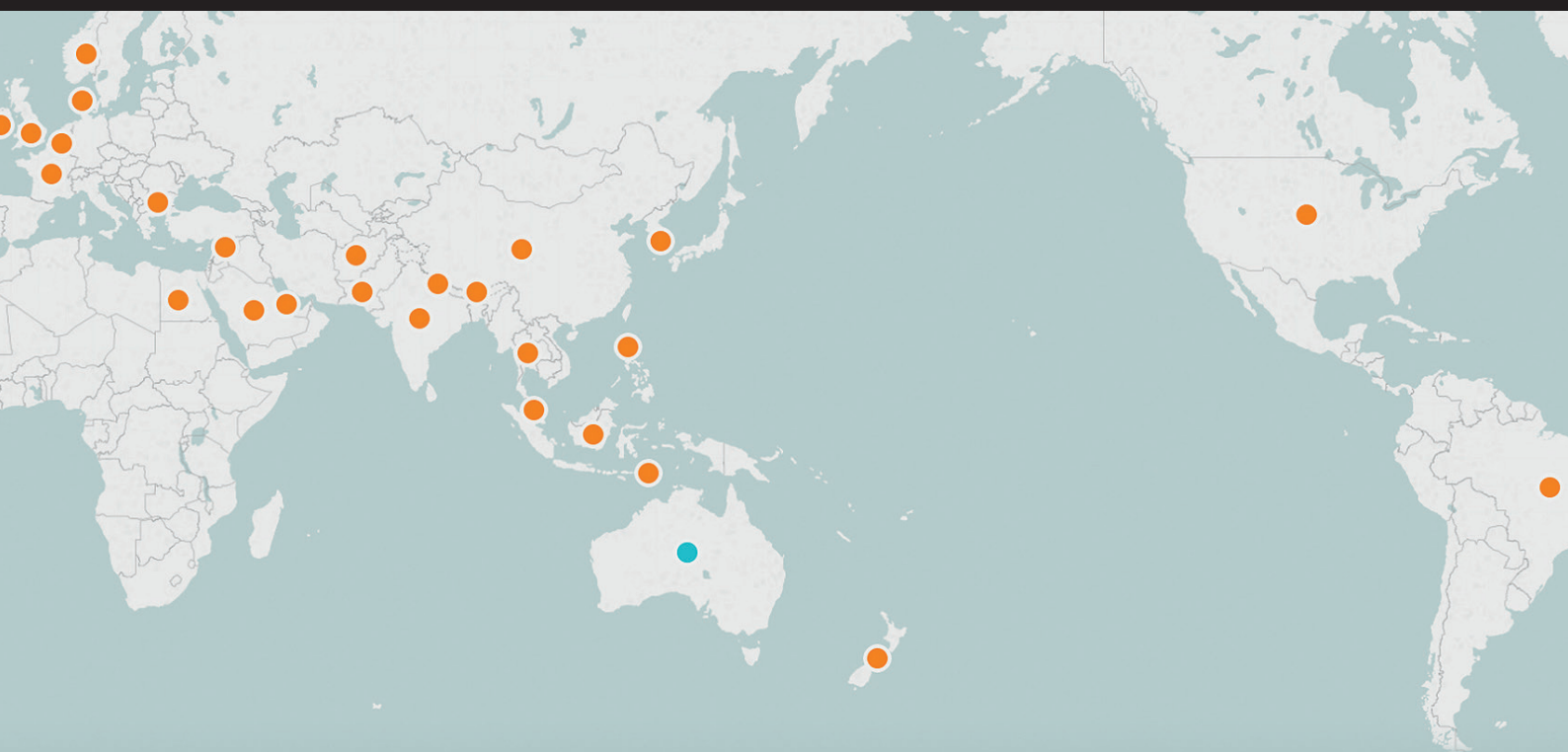
Can the Texas Tribune's successes be a model for other investigative news sites? Ean Higgins ventured deep in the heart of Texas to find out. January 2016.

Diary of a subeditor

7am. Wake up. Partner asks, "What myriad of problems will you be tackling today?" Get out the Style Guide (Home Edition) from under the pillow and educate them on the correct use of "myriad". Charles Purcell, March 2016.

Nerd Box: How to make robots do your reporting work.

Nick Evershed of Guardian Australia on his Twitterbot that tells the world when Australian politicians update their required disclosures of gifts.



Our reach, by the numbers
As of June 2016

10,000
media workers in Australia

16,200
@walkleys Twitter followers

6,000
Walkley Magazine print readers

7,200
Facebook page likes

1 million+
impressions on Twitter for the
2015 #Walkleys; our events
regularly trend in Australia

Build a sustainable foundation



Profound stories. David Pope's 2015 Walkley-winning Charlie Hebdo cartoon was shared by thousands of people worldwide.

The Walkleys are built out of the support of media, corporate and government partnerships. These remain fundamental both for funding and, beyond that, to unite the industry. It is these partnerships that create the intrinsic value of the Walkleys as the industry body.

All the major media companies now have arrangements in place to support the Walkleys and Walkley programs.

The Foundation continues to work with the Media, Entertainment & Arts Alliance to strengthen journalism under an operating agreement. Through its contribution both in kind and in cash, MEAA covers the entry fee for members. Following the end of the financial year, MEAA advised the Foundation that it intended to terminate the agreement from June 30, 2017, and seek to negotiate a new agreement.

To shore up our long-term stability, we're focusing on building a broader sponsor base as well as philanthropic

support via donations and bequests. In May 2016, the Walkleys were granted deductible gift recipient (DGR) status, through our registration as a cultural organisation. DGR status will allow us, in 2016-2017, to start building a robust development program, including properly resourcing our development and fundraising work and growing our database of potential supporters across the industry and the public. We are now accepting donations online.

Philanthropic support for journalism in the United States, through foundations, major donors and grassroots public donations, has allowed a vast new ecosystem of new media innovation to spring up, particularly for public service and investigative journalism. We can do that in Australia, too. But we'll need everyone's help to build a culture of support, in which all Australians feel personally responsible for contributing to a strong, sustainable media.

Our sustainability and solvency depends, too, on building and managing our reserves. On incorporation in 2013, the

Build a sustainable foundation

Walkley Reserve was transferred to the Foundation. The Reserve is a combination of the original Walkley bequest and subsequent operating surpluses from the Walkley business. Prior to incorporation it had operated under the MEAA policy on reserves which says:

MEAA has a number of reserves which have been set up over the years to cover a variety of contingencies. Each reserve is governed by its own set of rules and is covered either by a separate bank account, and/or transaction cash at bank and/or the equity in the mortgage or other assets.

Following incorporation, the amount of the reserve (then \$372,204) was allocated to the intercompany account between MEAA and the Foundation, which is under the control and direction of the Foundation. Since incorporation, the Foundation has managed its funds through its own account and through this intercompany account. Movements in the two accounts are consolidated into our income and expenditure statement of this report. The balance of the intercompany account at the end of each financial year is reported and acknowledged in these accounts as a loan owed by MEAA to the Foundation.

The operating cash flow of the Foundation also incorporates the movement in the intercompany account during the year. During FY2015, an amount of \$316,000 was transferred out of the operating bank account into a reserve term deposit held in the name of the Foundation. (See Statement of cash flows).

During the 2017 financial year, the Foundation will fully consolidate its financial operations in its own accounts and engage its own financial managers and auditors.



Profound stories. Sylvia Liber's 2015 Nikon-Walkley Community/Regional Photography Prize-winning entry included a woman whose elaborate corset tattoo gave her confidence after she underwent a double mastectomy to save the life of her unborn child.

Our partners

The Walkleys are all about being the best. It is a philosophy we share with our partners — companies, individuals and agencies that share our vision of a vibrant, professional, independent media that is an essential facet of our democracy

The ongoing support of high-calibre media organisations and corporations in Australia is essential to our achievements. We offer thanks and appreciation for all our supporters for their generous financial, pro bono and volunteer services throughout the year.

PLATINUM PARTNERS



GOLD PARTNERS



SILVER MEDIA PARTNERS



SILVER PARTNERS



MEDIA PARTNERS



PARTNERS



UNIVERSITY PARTNERS



Walkley Trustees

The Walkley Trustees are the members and directors of the company Walkley Foundation Pty Ltd, which is registered with the Australian Charities and Not-for-Profit Commission. They act as the management board.

The 2015-2016 Trustees



Chair: Quentin Dempster AM

Political editor, *The New Daily*
Quentin Dempster AM is a broadcaster, journalist and author who was made a member of the Order of Australia in 1992 for services to current affairs and journalism. He is currently contributing editor of *The New Daily* and is a former

staff-elected director of the ABC (1992-96). Quentin started out as a cadet with the *Maryborough Chronicle* in Queensland, then worked for the *Brisbane Telegraph* as chief political reporter and columnist. In 1984 he joined the ABC, first as political reporter and later heading the ABC investigative unit and presenting *Stateline* and *7.30 NSW*. He is the author of three books: *Honest Cops* (1992); *Whistleblowers* (1997) and *Death Struggle: How political malice and boardroom power plays are killing the ABC* (2000).



Michael Janda

Senior digital business reporter, ABC
Janda has worked at the ABC for more than eight years across online, radio and television news and current affairs. He started out as the national broadcaster's inaugural business and finance cadet in 2008 which, in a

stroke of luck, was probably the best year to cover economics and the markets since 1929. For most of his time at the ABC, Michael has been responsible for editing the business news web page, as well as writing much of its content. However, he is also a regular analysis contributor to *The Drum*, and has worked as a reporter and producer for *The Business* and as a business and economics reporter for *AM*, *PM* and *The World Today*.



Kate McClymont

Investigative journalist, *Sydney Morning Herald*

Kate McClymont is a five-time winner of journalism's most prestigious award, the Walkley, including the Gold Walkley. She was named the

2012 NSW Journalist of the Year for her investigations into the Health Services Union and the business activities of former NSW Labor minister Eddie Obeid. Kate is also the recipient of numerous other awards including six Kennedy awards and the George Munster award, and is a member of the Senate of Sydney University.



Gina McColl

Vice president, MEAA Media Section
Gina McColl is deputy editor of the multi-award winning Investigative unit at *The Age*, where she was previously deputy editor of *The Sunday Age* and arts editor. Prior to that, she worked at *BRW* for 13 years, where she edited

flagship issues and *brw.com.au*, Gina has been vice-president of the Media section of MEAA since 2007.



Laurie Oakes

Laurie Oakes is one of Australia's foremost political commentators with a distinguished career in journalism that spans more than 50 years. His incisive political commentary and news-breaking ability has earned him the respect of peers and politicians

alike. Renowned for his probing interviews and Canberra-shaking scoops, in 1997 he broke the travel rorts saga that ended the careers of three ministers and several government staffers. In 2010 Laurie won the Gold Walkley and the Walkley for Television Reporting for his coverage of Labor's leaks during the election that year. In 1998 he won the Walkley Award for Journalistic Leadership.



Stuart Washington

President, MEAA Media Section
Stuart Washington has reported from New York, Singapore and Cambodia in a career kickstarted as a police reporter for the *Newcastle Herald*.

Award-winning work has included a lengthy pursuit of the villains at the centre of Australia's largest superannuation theft and a feature that presaged the global financial crisis. The quality of his work has been recognised with a Knight-Bagehot fellowship, giving him a one-year sabbatical at Columbia University. The period in New York allowed him access to some of the key characters in the GFC, and a unique perspective as a reporter. Stuart is currently the Managing Editor for *The Sydney Morning Herald*.

Walkley Advisory Board

The 10 to 12 members of The Walkley Advisory Board play a pivotal role. All senior members of the Australian media industry, they are responsible for judging the overall winners of the Walkley Awards for Excellence in Journalism after the first tier of judging, and they advise The Walkley Foundation directors on matters relating to the awards. They are excellent ambassadors for The Walkley Foundation and a shining example of achievement in the field.



Chair: Kate McClymont, investigative reporter, *Sydney Morning Herald*



Deputy chair (starting in 2016): Angelos Frangopoulos, CEO, Australian News Channel



Michael Beach, deputy editor, *The West Australian*

Term ended June 2016



Hedley Thomas, national chief correspondent, *The Australian*



Jill Baker, deputy editor, *Herald Sun*



Nick Moir, photographer, *The Sydney Morning Herald*



Anne Davies, senior reporter, *Sydney Morning Herald*



Marina Go, general manager, Hearst-Bauer Media



Claire Harvey, deputy editor, *The Sunday Telegraph*

Term began June 2016



Michael Amendolia, freelance photographer



Dennis Atkins, national affairs editor, *The Courier-Mail*



Cameron Stewart



Fran Kelly, presenter, ABC Radio National Breakfast



Jonathan Richards, team lead, Google Creative Lab



John Stanley, journalist, 2UE

Walkley staff in 2015-2016

- Jacqueline Park
- Louisa Graham
- Eliza Berlage
- Barbara Blackman
- Lauren Dixon
- Clare Fletcher
- Kate Golden
- Anna Magnus
- Bridie Moran
- Jacquelyn Hole, contractor



Sandra Sully, journalist and senior editor, TEN Eyewitness News



Lisa Wilkinson, journalist and presenter, Nine Network

Financial Report

WALKLEY FOUNDATION LIMITED ABN: 99 164 809 349

Year ending June 30, 2016

Emma Field
Coverage of Community
and Regional Affairs
2015

PRESENTED BY JACQUI PARK

Directors' report | 30 JUNE 2016

WALKLEY FOUNDATION LIMITED

The directors present their report, together with the financial report, on Walkley Foundation Limited (referred to hereafter as the 'Foundation') for the year ended 30 June 2016.

Directors

The following persons were directors of the Foundation during the whole of the financial year and up to the date of this report, unless otherwise stated:

Quentin Dempster AM
Gina McColl
Laurie Oakes
Stuart Washington
Michael Janda
Kate McClymont

Objectives

The Foundation has been established to promote excellence in journalism in all its forms including visual arts, literature, film, video, television, photography, documentary and radio.

Key Strategic Directions:

- Promote excellence in media practice
- Encourage and support innovative and vibrant media that meets the information needs of the community and serves Australian democracy
- Guide the industry and craft through change
- Promote community understanding of journalism and its value

The Foundation continues to work with MEAA to offer a range of professional development opportunities, an awards program and *The Walkley Magazine* for MEAA members and the broader community of journalists.

Principal activities

During the financial year the principal continuing activities of the Foundation were:

- Awards Program;
- Building communities and networking: conferences and public talks;
- Showcasing outstanding images: The Nikon-Walkley Photography Program;
- Keeping in touch: Communications, advocacy and research; The Walkley Magazine, website and social media platforms;
- Encouraging long-form journalism: The Walkley Literary and Documentary Programs;
- Promoting press freedom; Australia Press Freedom Dinner;
- Skills for the future: Walkley Foundation Training Program; and
- Walkley Grants for Innovation in Journalism.

Performance measures

The Foundation measures performance through the establishment and monitoring of financial KPIs:

- To assess the cost-effectiveness of events;
- To assess control over the company's administrative and other indirect costs;
- To assess new sponsorship and existing sponsorship targets; and
- To assess effective revenue and income streams.

Information on directors

Name:	Quentin Dempster
Title:	Non-Executive Director
Qualifications:	AM
Experience and expertise:	Quentin Dempster AM is a broadcaster, journalist and author. He is currently contributing editor of The New Daily. He is a former director (staff-elected) of the Australian Broadcasting Corporation (1992-96). He was made a member of the Order of Australia in 1992 for services to current affairs and journalism. Starting from a cadetship with the Maryborough Chronicle in Queensland, he worked for the Brisbane Telegraph as chief political reporter and columnist. From 1984 he joined the ABC as political reporter and then current affairs presenter of The 7.30 Report. He presented the NSW edition of the program from 1990 to 1994, headed the ABC investigative unit and presented Stateline, later 7.30 NSW from 1996 to 2016. He is the author of three ground breaking books: Honest Cops (1992); Whistleblowers (1997) and Death Struggle - How political malice and boardroom power plays are killing the ABC (2000).
Special responsibilities:	Chairman

Name:	Gina McColl
Title:	Non-Executive Director
Qualifications:	
Experience and expertise:	Gina McColl is deputy editor of the multi-award winning Investigative unit at The Age, where she was previously deputy editor of The Sunday Age and arts editor. Prior to that, she worked at BRW for 13 years, where she edited flagship issues and brw.com.au, Gina has been vice-president of the Media section of MEAA since 2007.
Special responsibilities:	None

Name:	Laurie Oakes
Title:	Non-Executive Director
Qualifications:	
Experience and expertise:	Laurie Oakes is one of Australia's foremost political commentators with a distinguished career in journalism that spans more than 50 years. His incisive political commentary and news-breaking ability has earned him the respect of peers and politicians alike. Renowned for his probing interviews and Canberra-shaking scoops, in 1997 he broke the travel rorts saga that ended the careers of three ministers and several government staffers. In 2010 Laurie won the Gold Walkley and also the Walkley for Television Reporting for his coverage of Labor's leaks during the election that year. In 1998 he won the Walkley Award for Journalistic Leadership.
Special responsibilities:	None

Information on directors (Cont.)

Name:	Stuart Washington
Title:	Non-Executive Director
Qualifications:	
Experience and expertise:	<p>Stuart Washington has reported from New York, Singapore and Cambodia in a career kickstarted as a police reporter for the Newcastle Herald. Award-winning work has included a lengthy pursuit of the villains at the centre of Australia's largest superannuation theft and a feature that presaged the global financial crisis. The quality of his work has been recognised with a Knight Bagehot fellowship, giving him a one-year sabbatical at Columbia University. The period in New York allowed him access to some of the key characters in the GFC, and a unique perspective as a reporter.</p> <p>Stuart is currently the Managing Editor for The Sydney Morning Herald.</p>
Special responsibilities:	None

Name:	Michael Janda
Title:	Non-Executive Director
Qualifications:	Bachelor of Economics (Social Sciences) Hon I and a Bachelor of Laws Degree
Experience and expertise:	<p>Michael Janda has worked at the ABC for almost eight years across online, radio and television news and current affairs. He started out as the national broadcaster's inaugural business and finance cadet in 2008 which, in a stroke of luck, was probably the best year to cover economics and the markets since 1929. For most of his time at the ABC, Michael has been responsible for editing the business news page, as well as writing much of its content. However, he is also a regular contributor to The Drum, and has worked as a reporter and producer for The Business and as a business and economics reporter for PM, The World Today and AM.</p>
Special responsibilities	None

Name:	Kate McClymont
Title:	Non-Executive Director
Qualifications:	
Experience and expertise:	<p>Kate McClymont is an investigative journalist with The Sydney Morning Herald. She is a five-time winner of journalism's most prestigious award, the Walkley, including the Gold Walkley. She was named the 2012 NSW Journalist of the Year for her investigations into the Health Services Union and the business activities of former NSW Labor minister, Eddie Obeid. Kate is also the recipient of numerous other awards including six Kennedy awards and the George Munster award and is a member of the Senate of Sydney University.</p>
Special responsibilities	None

Contributions on winding up

In the event of the company being wound up, ordinary members are required to contribute a maximum of \$100 each. Honorary members are not required to contribute for:

- payment of the debts and liabilities of the Company contracted before the time at which he or she ceases to be a member;
- the costs, charges and expenses of winding up the Company; and
- the adjustment of the rights of the contributories among themselves.

Directors' report | 30 JUNE 2016

WALKLEY FOUNDATION LIMITED

The total amount that members of the company are liable to contribute if the company is wound up is \$600, based on six current ordinary members.

Auditor's independence declaration

A copy of the auditor's independence declaration is set out on the following page.

This report is made in accordance with a resolution of directors.

On behalf of the directors



Stuart Washington
Director

23 December 2016
Sydney



Tel: +61 2 9251 4100
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www.bdo.com.au

Level 11, 1 Margaret St
Sydney NSW 2000
Australia

DECLARATION OF INDEPENDENCE BY GRANT SAXON TO THE DIRECTORS OF WALKLEY FOUNDATION LIMITED

As lead auditor of Walkley Foundation Limited for the year ended 30 June 2016, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the Australian professional ethical pronouncements in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

Grant Saxon
Partner

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General information

The financial report covers Walkley Foundation Limited as an individual entity. The financial report is presented in Australian dollars, which is the Foundation's functional and presentation currency.

Walkley Foundation Limited is a not for profit company limited by guarantee.

The financial report was authorised for issue, in accordance with a resolution of directors, on 23 December 2016. The directors have the power to amend and reissue the financial report.



Statement of profit or loss and other comprehensive income

FOR THE YEAR ENDING JUNE 30, 2016

WALKLEY FOUNDATION LIMITED

	Note	2016 \$	2015 \$
Revenue	3	1,991,915	2,157,874
Expenses			
Depreciation and amortisation expense	4	(13,280)	(13,520)
Employee benefits expense	4	(942,697)	(944,194)
Site costs		(77,295)	(72,900)
Printing & postage expenses		(8,317)	(7,980)
Telephone expenses		(20,972)	(13,990)
Magazines expense		(67,202)	(133,930)
Repairs and maintenance expense		(2,638)	(7,649)
Travel expenses		(13,496)	(16,890)
Events expenses		(568,480)	(653,551)
Finance costs		(3,325)	(736)
Other expenses		(45,740)	(39,207)
Total direct costs		<u>(1,763,442)</u>	<u>(1,904,547)</u>
Surplus before income tax		228,473	253,327
Income tax expense		<u>-</u>	<u>-</u>
Surplus after income tax attributable to the members of Walkley Foundation Limited		228,473	253,327
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
Total comprehensive income for the year attributable to the members of Walkley Foundation Limited		<u>228,473</u>	<u>253,327</u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes



Statement of financial position

AS AT 30 JUNE 2016

WALKLEY FOUNDATION LIMITED

Assets	Note	2016 \$	2015 \$
Current assets			
Cash and cash equivalents	5	1,202,115	274,450
Trade and other receivables	6	842,171	1,448,494
Term deposits		321,722	316,000
Prepayments		59,078	18,296
Total current assets		<u>2,425,086</u>	<u>2,057,240</u>
Non-current assets			
Property, plant and equipment	7	-	725
Intangible assets	8	13,610	26,165
Total non-current assets		<u>13,610</u>	<u>26,890</u>
Total assets		<u>2,438,696</u>	<u>2,084,130</u>
Liabilities			
Current liabilities			
Trade and other payables	9	156,271	194,605
Deferred revenue		1,051,418	897,020
Employee benefits	10	293,073	261,914
Total current liabilities		<u>1,500,762</u>	<u>1,353,539</u>
Non-current Liabilities			
Employee benefits	10	2,060	23,190
Total non-current assets		<u>2,060</u>	<u>23,190</u>
Total liabilities		<u>1,502,822</u>	<u>1,376,729</u>
Net assets		<u>935,874</u>	<u>707,401</u>
Equity			
Reserves	14	372,204	372,204
Accumulated surplus	15	563,670	335,197
Total equity		<u>935,874</u>	<u>707,401</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Statement of changes in equity

FOR THE YEAR ENDING JUNE 30, 2016

WALKLEY FOUNDATION LIMITED

	Reserves \$	Accumulated Surplus \$	Total Equity \$
Balance at 1 July 2015	372,204	335,197	707,401
Net surplus for the year attributable to members of the Foundation	-	228,473	228,473
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	228,473	228,473
Balance at 30 June 2016	<u>372,204</u>	<u>563,670</u>	<u>935,834</u>

	Reserves \$	Accumulated Surplus \$	Total Equity \$
Balance at 1 July 2014	372,204	81,870	454,074
Net surplus for the year attributable to members of the Foundation	-	253,327	253,327
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	253,327	253,327
Balance at 30 June 2015	<u>372,204</u>	<u>335,197</u>	<u>707,401</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes



Statement of cash flows

FOR THE YEAR ENDING 30 JUNE, 2016

WALKLEY FOUNDATION LIMITED

	Note	2016 \$	2015 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		2,808,293	2,222,670
Payments to suppliers and employees (inclusive of GST)		(1,888,134)	(2,048,282)
Interest received		10,831	7,598
Finance costs paid		(3,325)	(736)
Net cash provided by operating activities		927,665	181,250
Cash flows from investing activities			
Payments for property, plant and equipment		-	-
Payments for term deposits		-	(316,000)
Net cash used in investing activities		-	(316,000)
Cash flows from financing activities			
Contributed cash reserves on incorporation		-	-
Net cash provided by financing activities		-	-
Net increase in cash and cash equivalents		927,665	(134,750)
Cash and cash equivalents at the beginning of the financial year		274,450	409,200
Cash and cash equivalents at the end of the financial year	5	1,202,115	274,450

The above statement of cash flows should be read in conjunction with the accompanying notes



Notes to the financial report

30 JUNE 2016

WALKLEY FOUNDATION LIMITED

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Walkley Foundation Limited is a Company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

245 Chalmers Street
Redfern NSW 2060

New, revised or amending Accounting Standards and Interpretations adopted

The Foundation has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the *Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act)*. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Historical cost convention

The financial report has been prepared on an accruals basis and under the historical cost convention.

Critical accounting estimates

The preparation of the financial report requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial report are disclosed in note 2.

Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

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

Grant revenue

Grant revenue is recognised at its fair value where there is a reasonable assurance that the grant will be received and all attached conditions will be complied with.

Sponsorship revenue

Sponsorship revenue is recognised in the statement profit or loss and other comprehensive income on an accruals basis, as the relevant service is provided. When the sponsorship spans across several events, the funds are allocated to each event based on the stipulated amount in the contract.

Events revenue

Events revenue is generated by ticket sales for the Walkley's Award event and is recognised when the event takes place. As the event occurs prior to the end of the reporting period each year, there is no need for the recognition of deferred revenue.



Notes to the financial report

30 JUNE 2016

WALKLEY FOUNDATION LIMITED

Note 1. Significant accounting policies (continued)

Revenue recognition (continued)

Donations revenue

Donations are recognised as revenue when received unless they are designated for a specific purpose in future periods, in which case they are carried forward as deferred income in the statement of financial position until expensed.

Interest revenue

Interest revenue is recognised when received.

Sundry revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

The Foundation is an income tax exempt entity under section 50-1 of the Income Tax Assessment Act 1997.

Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (ie trade date accounting is adopted). Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified “at fair value through profit or loss” in which case transaction costs are recognised immediately as expenses in profit or loss.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is current when: it is expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within twelve months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when: it is expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within twelve months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

Trade and other receivables

Other receivables are recognised at amortised cost, less any provision for impairment.

Trade and other payables

These amounts represent liabilities for goods and services provided to the entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Impairment

At the end of each reporting period, the Foundation assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events having occurred, which has an impact on the estimated future cash flows of the financial asset(s).



Notes to the financial report

30 JUNE 2016

WALKLEY FOUNDATION LIMITED

Note 1. Significant accounting policies (continued)

Cash and cash equivalents

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

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

Plant and equipment	2-3 years
---------------------	-----------

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Intangible assets

Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Website cost

Website development costs are considered to have a finite life of 3 years and are therefore amortised on a straight line basis over this period.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are recognised in non-current liabilities, provided there is an unconditional right to defer settlement of the liability. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Notes to the financial report

30 JUNE 2016

WALKLEY FOUNDATION LIMITED

Note 1. Significant accounting policies (continued)

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial report requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial report. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Provision for impairment of receivables

The provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtors financial position.

Estimation of useful lives of assets

The entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Employee benefits

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Note 3. Revenue

	2016 \$	2015 \$
Operating activities		
Grants, sponsorships and events income	1,838,334	1,969,041
Sundry revenue	142,750	181,235
Interest from financial institutions	10,831	7,598
	<u>1,991,915</u>	<u>2,157,874</u>



Notes to the financial report

30 JUNE 2016

WALKLEY FOUNDATION LIMITED

Note 4. Expenses

	2016 \$	2015 \$
Profit before tax has been determined after charging the following expenses:		
<i>Depreciation and amortisation expense</i>		
Depreciation of property, plant and equipment	725	965
Amortisation of intangible assets	12,555	12,555
Total depreciation and amortisation expense	<u>13,280</u>	<u>13,520</u>
<i>Employee benefits expense</i>		
Salaries	569,974	618,560
Annual leave	84,026	62,496
Long service leave	-	-
Superannuation	109,296	97,526
Separation and redundancies	4,686	9,302
Other employee costs	174,985	156,310
Total employee benefits expense	<u>942,967</u>	<u>944,194</u>
<i>Operating lease expense</i>		
Rent expense - 245 Chalmers St, Redfern	<u>36,540</u>	<u>-</u>

Note 5. Current assets - cash and cash equivalents

	2016 \$	2015 \$
Cash at bank	<u>1,202,115</u>	<u>274,450</u>
Total cash and cash equivalents	<u>1,202,115</u>	<u>274,450</u>

Included in cash and cash equivalents is \$10,000 (2015: \$nil) which was for the specific purposes of the Jacoby Scholarship.

The scholarship will give the selected applicant the opportunity to work with and learn from some of Australia's leading news and current affairs journalists and producers and provide them with a firsthand insight into the industry through a secondment with the Nine Network and the Walkley Foundation.

Note 6. Current assets - trade and other receivables

	2016 \$	2015 \$
Trade receivables	445,258	579,974
Intercompany receivables due from Media, Entertainment & Arts Alliance	23,704	95,672
Related party loan due from Media, Entertainment & Arts Alliance	357,387	772,848
Other receivables	<u>15,822</u>	<u>-</u>
Total trade and other receivables	<u>842,171</u>	<u>1,448,494</u>

The balance due from Media, Entertainment and Arts Alliance is interest free. The balance could be called upon on demand by the Foundation, thus making this a current asset.

Notes to the financial report

30 JUNE 2016

WALKLEY FOUNDATION LIMITED

Note 6. Current assets - trade and other receivables (continued)

Included in the balance of trade and other receivables is the net balance of loans and intercompany transactions between Media, Entertainment and Arts Alliance and Walkley Foundation Limited of \$381,091 (2015: \$868,520).

At the time of incorporation of Walkley Foundation Limited in July 2013, the assets, reserves and liabilities of the previously unincorporated Foundation were transferred to the Company. These were the cash reserves, deferred income (that is, post-incorporation income received prior to incorporation) prepaid expenses and the provision for staff entitlements. The aggregate value of these four components was \$995,523. This value was recorded as a loan owing by MEAA to the Company. The terms of the loan were expressed in the 30 June 2014 financial report as follows:

This is a transactional intercompany loan account and is interest free. The loan could also be called upon on demand by the Foundation when necessary thus making this a current asset.

During the years ended 30 June 2014 and 30 June 2015, the amount owing was adjusted as a result of the transfer of cash and the net value of various Walkley transactions that operated through the MEAA bank account. As a result, the net balance of the loan owed by MEAA to the Foundation as at June 30, 2015 was \$868,520.

During the year ended 30 June 2016, three payments were made by MEAA to the Foundation totalling \$511,133 (note 13) resulting in the balance of the loan being reduced to \$357,387. The net value of additional intercompany transactions during this financial year was \$23,704, resulting in a net balance of \$381,091 as at 30 June 2016.

The final allocation of the Walkley Awards Reserve is under consideration and is yet to be finalised.

Note 7. Non-current assets - property, plant and equipment

	2016 \$	2015 \$
Plant and equipment - at cost	1,931	1,931
Less: Accumulated depreciation	(1,931)	(1,206)
	<u>-</u>	<u>725</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Plant & equipment \$
Balance at 1 July 2015	725
Depreciation expense	<u>(725)</u>
Balance at 30 June 2016	<u>-</u>



Notes to the financial report

30 JUNE 2016

WALKLEY FOUNDATION LIMITED

Note 8. Non-current assets - intangible assets

	2016 \$	2015 \$
Website - at cost	41,850	41,850
Less: Accumulated amortisation	(28,240)	(15,685)
	<u>13,610</u>	<u>26,165</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Website \$
Balance at 1 July 2015	26,165
Amortisation expense	(12,555)
Balance at 30 June 2016	<u>13,610</u>

Note 9. Current liabilities - trade and other payables

	2016 \$	2015 \$
Trade payables	34,806	71,441
Goods and services tax payable	92,161	86,722
Creditors and accruals	29,304	36,442
	<u>156,271</u>	<u>194,605</u>

Note 10. Employee benefits

	2016 \$	2015 \$
Current		
Annual leave	138,820	150,040
Long service leave	154,000	116,660
Other provisions	253	(4,786)
Total current provisions	<u>293,073</u>	<u>261,914</u>
Non-current		
Long service leave	<u>2,060</u>	<u>23,190</u>

Note 11. Contingent liabilities

The company had no contingent liabilities as at 30 June 2016 (2015: none).

Note 12. Commitments

The company had no commitments for expenditure as at 30 June 2016 (2015: none).

Notes to the financial report

30 JUNE 2016

WALKLEY FOUNDATION LIMITED

Note 13. Related party transactions

Key management personnel

The aggregate compensation of key management personnel of the company is set out below:

	2016 \$	2015 \$
Aggregate compensation of key management personnel	286,688	163,315

Key management personnel costs in the 2016 financial year aggregate payments to the CEO, Jacqueline Park, including annual and study leave payments made to her while she was a Fellow at Stanford University during the 2015-16 US academic year and reimbursements for her salary costs made by the International Federation of Journalists, together with payments to the General Manager, Louisa Graham, who acted as CEO during the CEO's leave.

Loans to/from related parties

As disclosed in note 6, as at 30 June 2016 there is a related party loan of \$357,387 (2015: \$868,520) and an intercompany receivable of \$23,704 (2015: \$95,672) due from Media, Entertainment & Arts Alliance. The balance is unsecured, interest-free and consists of the following:

	2016 \$	2015 \$
Balance at 1 July	868,520	772,848
Payments to reduce related party loan	(511,133)	-
Net value of intercompany transactions	23,704	95,672
Balance at 30 June	\$381,091	868,520

Transactions with related parties

During the year ended 30 June 2016 the following transactions occurred with related parties:

Payments of \$511,133 (2015: \$nil) were made to the Foundation by Media, Entertainment and Arts Alliance to reduce the related party loan.

Additional inter-company transactions arose during the financial year, resulting in a net receivable of \$23,704. Inter-company transactions arose because certain income and expenditure was conducted through the MEAA bank account. MEAA also funds certain specific activities of the Foundation. In addition, the Foundation pays MEAA for certain services such as rent and utilities. As a result of the netting off of the income and expenditure of these activities within the financial year, MEAA paid the Foundation \$128,323 (2015: \$145,274).

The net value of these transactions was incorporated into the related party loan as at 30 June 2015. Discussions are continuing between both parties as to the appropriate treatment of the outstanding inter-company balances as at 30 June 2016.

International Federation of Journalists paid the Foundation \$7,179 (2015: \$36,465) to reimburse employee benefits expense incurred by the foundation.

Note 14. Equity - reserves

	2016 \$	2015 \$
Walkley Foundation Reserve	372,204	372,204
	372,204	372,204

Walkley Foundation Reserve

The Walkley Awards Reserve has been set up to advance the interests of the Walkley Foundation Limited. This reserve was transferred from Media, Entertainment & Arts Alliance on incorporation.

Notes to the financial report

30 JUNE 2016

WALKLEY FOUNDATION LIMITED

Note 15. Equity - accumulated surplus

	2016 \$	2015 \$
Accumulated surplus at the beginning of the financial year	335,197	81,870
Surplus for the year	228,473	253,327
Retained profits at the end of the financial year	563,670	335,197

Note 16. Events after the reporting date

Subsequent to year end:

- The Foundation was notified by MEAA that it wished to terminate the operating agreement between the parties and negotiate a new agreement.
- The Walkley board decided to separate its financial management and audit from MEAA in 2017.
- A bonus of \$34,255 was approved and paid by the Walkley Foundation.

No other matter or circumstance has arisen since 30 June 2016 that has significantly affected, or may significantly affect the Foundation's operations, the results of those operations, or the Foundation's state of affairs in future financial years.

Director's declaration

30 JUNE 2016

WALKLEY FOUNDATION LIMITED

In the directors' opinion:

1. The financial statements, comprising the statement of profit or loss and other comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity, and accompanying notes, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Regulations 2013*; and
 - b. give a true and fair view of the Foundation's financial position as at 30 June 2016 and of its performance for the year ended on that date.
2. In the Directors' opinion, there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:



Stuart Washington
Director

23 December 2016
Sydney



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Sydney NSW 2000

Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Walkley Foundation Limited,

Report on the Financial Report

We have audited the accompanying financial report of Walkley Foundation Limited, which comprises the statement of financial position as at 30 June 2016, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act)* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

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

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



Opinion

In our opinion the financial report of Walkley Foundation Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the registered entity's financial position as at 30 June 2015 and of its financial performance and cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

BDO East Coast Partnership

Grant Saxon
Partner

Sydney, 23 December 2016