



Rotary Club of Sydney, Inc.

**92nd Annual Report
and
Statement of Accounts
2012-13**



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PRESIDENTS REPORT

It has been an honour and a pleasure to serve as President of the Club during 2012-2013.

Timor-Leste Health Project 2012-13 & Beyond



As its President's Project for 2012-13 the Rotary Club of Sydney supported the Isin-Di'ak Fund (Timor-Leste Health Fund) at The University of Sydney. This important project aimed to significantly improve the health outcomes of the people of Timor-Leste and develop their future capacity to treat disease. One of the project's key goals is to eliminate two debilitating parasitic diseases (lymphatic filariasis and intestinal worms) which are at endemic levels across the country and particularly prevalent amongst young children. This project was closely aligned to one the Rotary Foundation Future Vision's six areas of focus – *Disease Prevention and Treatment*.

Objective

The aim is to eliminate lymphatic filariasis and intestinal worm infections in Timor-Leste through a five year mass treatment program with anti-parasitic drugs. This must be sustainable and provide the in-country capability to maintain that position over the long-term through the training of local people.

Scope of the Problem

In common with many third world tropical countries Timor-Leste is plagued by two parasitic diseases that are treatable and can be eliminated. The first of these is a mosquito-borne parasite that causes lymphatic filariasis, which leads to elephantiasis – the gross swelling of the limbs and other parts of the body that is both disfiguring and debilitating. Surveys have shown that up to 20% of the population are infected. The second is intestinal worms (e.g. hookworms) that infect up to 50% of the children and are transmitted through poor sanitation and contaminated water. These

worms aggravate poor nutrition amongst the children that stunts both their physical and mental development.

Treatment Program

Unlike other tropical diseases such as dengue, the cure for these parasitic diseases is well known and proven to be very cost-effective. It is not an immunisation program but a mass drug treatment program. The treatment involves the administration of two drugs to as many of the whole population as possible – at least 80%. For the adults this needs to be done annually for five years and for the children every six months over the same period. The drugs have been donated by several international pharmaceutical companies under a WHO-sponsored program.

The challenge is to maintain the administration of the drugs to the whole population and to monitor the results to ensure that the treatment is being effective. This is difficult in Timor-Leste due to the remoteness of many villages and the lack of roads and transportation. The total cost of this program is estimated at \$1.3 million in the first year and then approximately \$1 million annually in the following four years – less than \$1 per person per annum for each person in Timor-Leste.

The Team

The program will be run by the Ministry of Health in Timor-Leste. It is very important that the local health authorities take the lead in managing and administering the program. Under the leadership of Prof Peter McMinn, the University of Sydney is providing the technical support and training-of-trainer programs. The University established a fund within the Sydney Medical School Foundation called *Fundu Isin-Di'ak Timor-Leste* which translates from the local *Tetun* language as 'East Timor Good Health Fund'. Her Excellency Professor Marie Bashir AC CVO, Governor of New South Wales is the Patron of the Fund and His Excellency Dr José Ramos-Horta GCL, former President of Timor-Leste and Nobel Peace Prize Laureate is its Vice-Patron and Ambassador. The fund has the broad aim of significantly improving health outcomes in Timor-Leste.

Activities in 2012-13



In October 2012 the Club organised a well-supported corporate breakfast in Sydney. This was attended by the Governor, Dr Ramos-Horta and General Peter Cosgrove AC, all of whom addressed the gathering. This event raised over \$40,000 but also raised awareness for the project.



During the breakfast Dr Ramos-Horta generously donated a painting by His Excellency Xanana Gusmão, the current Prime Minister of Timor-Leste which was painted while Xanana Gusmão was imprisoned in Cipinang Prison in Jakarta in the 1990's. The painting was a birthday gift to Dr Ramos-Horta in 1994 and has a dedication to him on the back from Xanana Gusmão.

It was decided not to sell the painting as it clearly had significant historical and emotional value for the people of Timor-Leste. The Club had it framed and restored and then used it to promote awareness of the plight of the Timorese and the critical need for the services and development this project will offer. The painting was hung in the foyer of NSW Parliament House for about six weeks and then in November 2013 it was sent back to Dili and given to the people of Timor-Leste in perpetuity. An emotional hand-over ceremony to Prime Minister Xanana Gusmão was held in the Timorese Resistance Museum & Archive in Dili where it will be hung. It was the first time he had seen the painting since 1994.



The Club also hosted with help from Zeny Edwards a special function in May 2013 at Government House, Sydney with proceeds from tickets and the auction going towards the Isin-Di'ak Fund. The auction items included three very valuable watches that had also been donated by Dr Ramos-Horta. The function was attended by the Governor, HE Prof Marie Bashir with Wendy Harmer volunteering her time to be the MC for the evening.

Next Steps

By the end of June 2013 the Club had raised a total of \$200,000 in support of this project. A detailed budget for the project had been prepared and the project was approved and adopted by the Ministry of Health and the Cabinet of the Timor-Leste Government. The Ministry will provide approximately 25% of the funds.

This is a 5-6 year project and must be maintained over that period if it is to be successful. In 2013-14 it has been adopted as one of six District projects by Rotary District 9675. An application is being prepared to the Rotary Foundation for a global grant to support the project. The Rotary Clubs of Dili and Darwin are very supportive and are helping in this process. The University of Sydney is developing a Memorandum of Understanding with the Ministry of Health under which it will provide the technical support and training programs. It is hoped that the training-of-trainer part of the program will start in 2014 with the first treatment program scheduled for early 2015.

Vision Beyond Aus

During 2012-13 the Club continued to support Vision Beyond Aus which had been founded by Indy Singh. This is another Rotary Club of Sydney success story which has grown to become an independent charity although still supported by this Club. It started by arranging for eye surgeons to go to India but this has now been expanded to include Nepal and Myanmar (Burma). In April 2013 a group of Rotarians and other supporters had the opportunity to visit Myanmar to see what was happening first hand. Through the Fiducian Golf Day, other events and donations a total of \$110,000 was raised in 2012-13 in support of Vision Beyond Aus.

Other Projects & Donations

During 2012-13 the Club supported a number of other projects which resulted in the following donations being made:

- Rotary Foundation \$24,400
- MS MegaSwim \$5,000
- Schizophrenia Foundation \$16,000
(from Joan Salter Fund as part of a three year project with UNSW and St Vincent's Hospital on ways to keep schizophrenia patients more engaged in the workforce and in society)
- Ranfurly Library \$2,000
- Adrian Golding/ROMAC \$30,000
(for an operation on a girl from Timor-Leste which happened in July/August 2014. The fund was topped up to maintain the corpus)
- Ambassadorial Scholar \$2,000
- Thai water project \$1,000
- President's project for 2013-14 \$25,000

In addition to these amounts the Club also supported Opportunity Cambodia which is an educational program run by Rotarian Carolyn Fletcher. The Club also helped organise the MS MegaSwim at the Aquatic Centre in Sydney Olympic Park which has become an annual event for the Club and raised close to \$250,000 in 2013 to support sufferers of multiple sclerosis (MS). So there was a total of \$600-700,000 in which the Club was involved in raising either directly or indirectly over the last year. This is a result of which we can all be justly proud.

Membership

The program to increase the membership of the Club that was initiated in 2011-12 really started to show positive results in 2012-13. This was the first year for many years that the membership of the Club actually increased. During the year 44 new members were inducted into the Club resulting in the membership (including Honorary members) increasing from 124 to 150. The mentoring program to assist new members to get involved in the Club's activities was expanded and several new member cocktail functions were organised..

The Club is also beginning to reflect the broader community. The average age of the membership has come down with over 60% of the new members being under 50. In addition over half of the new members come from non-English speaking backgrounds.

New Generations Committee

Andrew Laurie chaired the New Generations Committee which is responsible for organising and supporting many of those iconic programs for which Rotary is so well known:

- Rotary Youth Exchange – the Club hosted one inbound student from Norway and supported two outbound students to Switzerland and Norway.
- RYLA
- RYPEN
- Model United Nations (MUNA)
- NYSF



The Committee also worked with and supported the local Rotaract Clubs and PCYC.

Service & Awards Committee

Under the Chairmanship of Simon Martin, the Service & Awards Committee continued to be responsible for Club's prestigious awards program and a range of community and vocational projects.

The Vocational Service Award for 2013: Stephen Page, Bangarra Dance Company recognising "the major contribution he has made to the cultural life of Australia".

The Community Service Award for 2013: Susan Belling for "working tirelessly for over 33 years in leadership roles for Girl Guides Australia".

The Committee organised:

- MS MegaSwim
- ANZAC Day BBQ
- Police Officer of the Year Award



- Citizenship Ceremony
- The Mothers Day Classic BBQ

International Committee

The International Committee was chaired by Annette Delaney. As well as supporting the President's Project in Timor-Leste the Committee was involved in an on-going range of other projects and events. These included:

- Vision Beyond Aus
- Opportunity Cambodia
- Adrian Golding Gift-of-Life Program in cooperation with ROMAC
- Sister Club Program
- Consular Day
- Group Study Exchange

Speakers Program

The Rotary Club of Sydney has a reputation for its ability to attract interesting and entertaining speakers to its lunchtime meetings. This year was no exception. The aim of the program was not just to attract high profile speakers but get people who will inform, challenge and of course entertain us.

The speakers for 2012-13 included:

- Jennifer Hewett, National Affairs Columnist, The Australian Financial Review
- Prof Peter McMinn, Bosch Professor of Infectious Diseases, University of Sydney
- Michael Knight, former NSW Minister for the Olympics
- Ros Strong, Chair, Sydney Community Foundation
- Prof Cyndi Shannon Weickert, Macquarie Group Foundation Chair of Schizophrenia Research, University of NSW
- The Hon. Shaoquett Moselmane MLC
- Jim McIlvenny, Senior Vice President, Dow Chemicals
- Frank Howarth, Director, Australian Museum
- Annette Edis, author of 'Retire and Live the Dream'
- Dr Michael Spence, Vice-Chancellor, University of Sydney
- Bill Salter, District Governor
- Simon Balderstone, Chairman Australian Himalayan Foundation
- James Powell
- David Gonski, AC, Chancellor, University of NSW
- Julie McKay, Executive Director, Australian National Committee for UN Women
- Jim Maxwell, ABC journalist
- Richard Woolcott, AC, former Secretary, Department of Foreign Affairs and Trade
- Mike Chilcott, Linchpin Environmental
- H.E. Mr. Gian Ludovico De Martino di Montegiordano, Ambassador of Italy to Australia
- Professor Mary O'Kane, NSW Chief Scientist & Engineer
- H.E. Dr Milan Balazic, Ambassador of Slovenia to Australia and New Zealand
- Gloria Carter, on Parkinson's disease
- Keith Jones, Affinity Wealth
- Robin de Crespigny, author 'The People Smuggler'

- Martin Welsh, New Zealand Consul-General
- Angela Vithoukas, Councillor, City of Sydney
- Wendy Machin, President, NRMA
- Donald Hector, President, The Royal Society of NSW
- Niels Marquardt, US Consul General
- Jackie Gambrell, National Stroke Foundation
- Pastor Ray Minniecon, Indigenous School Council member, St Andrew's Cathedral School
- Ryan Bulger, Indigenous Sports teacher, St Andrew's Cathedral School
- The Hon Michael Kirby, AC, former Justice of the High Court
- Prof Stephen Simpson, Academic Director, Charles Perkins Centre, University of Sydney
- The Honourable Thomas Bathurst QC, Chief Justice NSW
- Martin Holzberger CSC, Warrant Officer of the Royal Australian Navy
- Catherine Burn, Deputy Commissioner of Police
- Rob Laurie AM, former Australian High Commissioner to India
- The Hon. Victor Dominello MP, the NSW Minister for Communities and Citizenship
- Lynda Ben-Menashe, NSW Jewish Board of Deputies
- Dr Andrew Young, Director, Centre for Social Impact, University of NSW
- Prof Gillian Triggs, President, Australian Human Rights Commission
- Tanya Hosch, Deputy Campaign Director RECOGNISE & Chair, Bangarra Dance Theatre

Paul Harris Fellows

During the year the Club recognized the service and achievements of six people by awarding them a Paul Harris Fellowship. These were:

- Rex Doughty
- Glenn Wran (double sapphire pin)
- Errol Brown
- Professor Peter McMinn
- Indy Singh (double sapphire pin)
- Robert Funke



Rotary Club of Sydney Honorary Members

In April, 2013 the Club inducted the Chief Justice of NSW, The Honourable Thomas Bathurst as an Honorary Member of the Club. Long standing members PP Bill Locke and Harold Bodinnar were also inducted as Honorary Members in February and May respectively. This brought the total number of Honorary Members to nine, the others being:

- Her Excellency Professor The Honourable Marie Bashir, AC, CVO, Governor of NSW
- The Honourable Barry O'Farrell, Premier of NSW



- Clover Moore, Lord Mayor of the City of Sydney
- Commissioner Andrew Scipione APM, NSW Commissioner of Police
- Sir William Deane, former Governor General of Australia
- Joe Botta

Rotary Club of Sydney Office Holders

Directors

President	James Allen
Immediate Past President	Ned Boyce
President Elect	Geoffrey Wilbow
Vice President	Diana Richards
Vice President	Noel Hadjimichael (until Mar 2013)
Honorary Treasurer	Peter Blythe
Honorary Secretary	Alex Shaw
Administration	Patricia Harrison
International Services	Annette Delaney
Services & Awards	Simon Martin
New Generations	Andrew Laurie
Soukup Scholarship	Noel Hadjimichael (until Mar 2013)
	Karen Loblay (from Apr 2013)
Membership	Glenn Wran
Communication	Tony Benner
NSW Police Officer of the Year Awards	John Given

Officers and Project Co-ordinators

Sergeants-at -Arms	Julie Fish & Henry Ye
President's Aide	John Randall
Honorary Legal Adviser	Peter Townsend
Vision Beyond Aus Chair	Indy Singh
Opportunity Cambodia CEO	Carolyn Fletcher

ROTARY CLUB OF SYDNEY, INC.

FINANCIAL REPORTS

2012-2013

INDEPENDENT AUDITOR'S REPORT

TO ROTARY CLUB OF SYDNEY INCORPORATED – GENERAL FUND

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Rotary Club of Sydney Incorporated – General Fund (the trust), which comprises the balance sheet as at 30 June 2013, and the income statement, a summary of significant accounting policies and other explanatory notes and the directors of 's (the trustees') declaration.

Trustees' Responsibility for the Financial Report

The trustees of the trust are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the trust deed. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

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



**Chartered
Accountants**

Liability limited by a scheme approved under Professional Standards Legislation.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditors' judgment, 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 auditors consider internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the trustees, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the trustees' financial reporting under the trust deed. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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

Independence

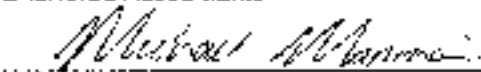
In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Auditors' Opinion

In our opinion the financial report of the Rotary Club of Sydney Incorporated - General Fund is in accordance with the trust deed, including:

- (a) giving a true and fair view of the trust's financial position as at 30 June 2013 and of its performance for the period ended on that date in accordance with the accounting policies described in Note 1; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 and complying with the trust deed.

Name of Firm: **MANNION'S BUSINESS SERVICES PTY LTD**
Chartered Accountants

Name of Partner: 
MICHAEL MANNION

Address: SUITE 105, 304 318 FHL KINGSWAY CARINGBAH NSW 2228

Dated this 28th day of January 2014

ROTARY CLUB OF SYDNEY INCORPORATED - GENERAL FUND

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2013

ROTARY CLUB OF SYDNEY INCORPORATED - GENERAL FUND

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ROTARY CLUB OF SYDNEY INCORPORATED - GENERAL FUND

**INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2013**

	Notes	2013 \$	2012 \$
INCOME			
Interest		8,582	10,827
Dividends		7,451	4,495
Membership subscriptions		78,693	71,659
Luncheon income		91,429	85,843
Club and Project Sponsorships and Income	7	54,200	57,646
Other income		0	647
TOTAL INCOME		240,355	231,117
LESS EXPENSES			
Accounting fees		12,120	10,294
Bank charges		2,350	1,516
Donations from General Fund	8	74,060	62,050
Badges and banners		1,350	473
Computer expenses		1,200	3,043
Doubtful debts		3,068	1,569
General expenses		712	957
Investment management fees		2,579	2,487
Loss on sale of investments		98	55
Lunch costs		92,825	82,896
Printing and stationery		1,029	1,808
Club Promotion – Brochure		1,237	2,919
Rotary District Fees and Publications		4,926	4,224
Rotary District 9750 Dues		13,871	16,285
Rotary International Dues		7,193	3,490
Rotary Youth Leadership Awards (RYLA)		4,051	3,272
Youth Exchange expenses		1,949	0
Rotary Project: MUNA		450	900
Telephone		150	162
Your Country project		10,279	11,280
MS Society BBQ		0	862
TOTAL EXPENSES		235,497	210,542
SURPLUS FOR THE YEAR		4,858	20,575
SURPLUS FOR THE YEAR		4,858	20,575
Accumulated Reserves at beginning of the year		299,093	278,518
ACCUMULATED RESERVES AT END OF THE YEAR		303,951	299,093

The accompanying notes form part of these financial statements.

ROTARY CLUB OF SYDNEY INCORPORATED - GENERAL FUND

**BALANCE SHEET
AT 30 JUNE 2013**

	Notes	2013 \$	2012 \$
CURRENT ASSETS			
Cash at bank and deposits	2	231,614	214,497
Accrued interest – Bank Term Deposits		1,558	787
Prepaid Venue Deposit – Police Officer Awards		0	7,273
Trade and other receivables	4	7,013	4,734
TOTAL CURRENT ASSETS		240,185	227,291
INVESTMENTS			
Listed Securities at cost (Market Value 30.6.2013 \$102,357)	3	99,100	102,548
TOTAL LISTED INVESTMENTS		99,100	102,548
TOTAL ASSETS		339,285	329,839
CURRENT LIABILITIES			
Trade and other payables	5	31,334	25,136
Other current liabilities	6	4,000	5,610
TOTAL CURRENT LIABILITIES		35,334	30,746
TOTAL LIABILITIES		35,334	30,746
NET ASSETS		303,951	299,093
ACCUMULATED RESERVES			
Retained earnings at the beginning of the financial year		299,093	278,518
Income and Expenditure Statement – Current Year Surplus		4,858	20,575
TOTAL ACCUMULATED RESERVES AT END OF YEAR		303,951	299,093

The accompanying notes form part of these financial statements.

ROTARY CLUB OF SYDNEY INCORPORATED - GENERAL FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act of New South Wales. The Board of Directors has determined that the association is not a reporting entity and that the accounting policies adopted are appropriate to meet the needs of the members. The financial report does not comply with International Financial Reporting Standards.

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

(a) Income Tax

No provision for income tax has been raised as the association is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

(b) Fixed Assets

Other fixed assets are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all fixed assets are depreciated over the useful lives of the assets to the association commencing from the time the asset was held ready for use.

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

(c) 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 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 balance sheet are shown inclusive of GST.

(d) Donations

Donations have been accounted for to the extent that they have been deposited in the bank and recorded in the books of the Rotary Club of Sydney Incorporated.

(e) Listed Securities

Listed securities are carried in the balance sheet at cost. Unrealised profits and losses arising from stock market variations are not brought to account until the investments are realised and actual profits or losses are determined. If in the opinion of investment managers and the Board of Directors there is a permanent diminution in value of a listed investment, this will be recognised in the year it occurs as an adjustment against current earnings.

Dividends and other income earned on listed securities are taken up in the accounts when received and banked. As a not-for-profit entity, franking credits on dividend income is claimed from the Australian Tax Office annually and franking credit income is taken up in the accounts when received and banked.

ROTARY CLUB OF SYDNEY INCORPORATED - GENERAL FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

	2013	2012
	\$	\$
NOTE 2: CASH AT BANK AND DEPOSITS		
Cash on hand	600	800
Cash at Bank – Commonwealth Bank	110,222	104,472
Cash at Bank – Macquarie Bank Cash Management	34,792	48,523
PayPal Account	1,000	0
Term Deposit 180 days – National Australia Bank (Matures December 2013)	50,000	0
Term Deposit 365 days – National Australia Bank (Matures December 2013)	35,000	0
Term Deposit – Westpac Banking Corporation	0	30,000
Term Deposit – ANZ Banking Group	0	30,702
	231,614	214,497

NOTE 3: INVESTMENTS – LISTED SECURITIES

	Number		
	2013	2013	2012
AGL Energy Limited – Unsecured Subordinated Notes	100	9,995	9,995
AMP Limited – Ordinary Fully Paid	650	3,432	3,432
ANZ Banking Group Limited – Ordinary Fully Paid	180	4,088	4,088
ANZ Banking Group Limited - Convertible Preference Shares	--	0	10,010
BHP Billiton Limited	170	7,222	7,222
Caltex Australia Limited – Notes	100	10,000	0
Commonwealth Bank of Australia – Ordinary Fully Paid	70	3,409	3,409
IAG Finance NZ Limited – Perpetual Reset Exchangeable Notes	100	10,225	10,225
National Australia Bank – Unsecured Redeemable Subordinated Notes	100	10,000	10,000
Origin Energy Limited – Unsecured Subordinated Notes	100	10,170	10,170
Origin Energy Limited – Ordinary Fully Paid	300	3,414	0
Orica Limited – Ordinary Fully Paid	140	3,510	3,510
QBE Insurance Group Limited – Ordinary Fully Paid	--	0	3,252
Rio Tinto Limited – Ordinary Fully Paid	50	3,592	3,592
Suncorp Group Limited – Non Cumulative Convertible Preference Shares	100	10,000	9,900
Santos Limited – Ordinary Fully Paid	200	2,490	2,490
Telstra Corporation Limited – Ordinary Fully Paid	1250	3,487	3,487
Westpac Banking Corporation Limited – Ordinary Fully Paid	190	4,066	4,066
Woolworths Limited – Ordinary Fully Paid	--	0	3,700
TOTAL INVESTMENTS AT COST		99,100	102,548
INVESTMENTS AT MARKET VALUE 30 JUNE		102,357	98,731

NOTE 4: CURRENT TRADE AND OTHER RECEIVABLES

Trade receivables	1,001	1,820
Provision for impairment of receivables	(463)	(463)
Trade receivables (net)	538	1,357
Other receivables	4,600	804
GST receivable	1,875	2,573
	7,013	4,734

ROTARY CLUB OF SYDNEY INCORPORATED - GENERAL FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

	2013	2012
	\$	\$
<hr/>		
NOTE 5: CURRENT TRADE AND OTHER PAYABLES		
Unsecured liabilities		
Trade payables	2,247	5,117
Helen Tucker Rent Subsidy – payable from specific funding received	4,400	4,800
GST payable	4,016	4,500
Sundry payables and accruals	0	3,833
Rotary Club of Sydney Benevolent Fund – Donations transferred July 2013	20,671	6,886
	<hr/> 31,334 <hr/>	<hr/> 25,136 <hr/>
NOTE 6: OTHER LIABILITIES		
CURRENT		
Sponsorship income received in advance	4,000	4,250
Subscriptions paid in advance	0	1,360
	<hr/> 4,000 <hr/>	<hr/> 5,610 <hr/>
NOTE 7: CLUB AND PROJECT SPONSORSHIPS AND INCOME		
Rotary Luncheon Fines	6,911	8,341
Melbourne Cup Sweep	1,752	1,716
Gold and Silver Sponsorships	17,000	17,000
RI President Elect Dinner surplus	0	396
Project Sponsorships – Your Country Project	9,250	12,193
Raffles	1,268	0
Surplus from Police Officer of the Year Awards Event	18,019	18,000
	<hr/> 54,200 <hr/>	<hr/> 57,646 <hr/>
NOTE 8: DONATIONS PAID FROM GENERAL FUND		
Rotary Club of Sydney Benevolent Fund – for donations by the Fund:		
Benevolent Fund Donations in 2012/2013	29,200	0
Benevolent Fund Donations in 2013/2014 – President’s Project	25,000	25,000
Other Donations	2,100	19,050
Police Officer of the Year project surplus distributed:		
Rotary Foundation	7,760	9,000
Police Legacy	9,000	8,000
Rotaract Club of Sydney	1,000	1,000
	<hr/> 74,060 <hr/>	<hr/> 62,050 <hr/>

ROTARY CLUB OF SYDNEY INCORPORATED - GENERAL FUND

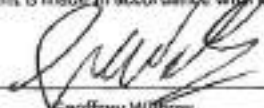
STATEMENT BY MEMBERS OF THE BOARD OF DIRECTORS

The Board of Directors 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.

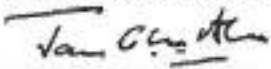
In the opinion of the Board of Directors the financial report as set out on pages 1 to 5:

1. Presents a true and fair view of the financial position of Rotary Club of Sydney Incorporated - General Fund as at 30 June 2013 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Rotary Club of Sydney Incorporated - General Fund will be able to pay its debts as and when they fall due.


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



Geoffrey Wilbow
President, Rotary Club of Sydney



James Allen
Immediate Past President, Rotary Club of Sydney



Peter Blythe FCA
Treasurer, Rotary Club of Sydney 2012/2013

Dated this 26 day of November 2013

CERTIFICATE BY MEMBER OF THE BOARD OF DIRECTORS

I, Geoffrey Wilbow, President of the Rotary Club of Sydney Incorporated, declare that in my opinion:

- (a) the accounts for the year ended 30 June 2013 give a true and fair view of all income and expenditure of Rotary Club of Sydney Incorporated - General Fund with respect to general Club activities. The General Fund does not include fundraising and charitable donations in respect of the Rotary Club of Sydney Benevolent Fund and the Rotary Soukup Memorial Scholarship Fund (see item (c) below).
- (b) the balance sheet as at 30 June 2013 gives a true and fair view of the state of affairs of the Rotary Club of Sydney Incorporated - General Fund.
- (c) separate accounts have been prepared for Rotary Club of Sydney Benevolent Fund (incorporating fundraising income and charitable donations by the Club) and for the Rotary Soukup Memorial Scholarship Foundation which trust fund is managed by the Club.
- (d) the provisions of the Charitable Fundraising Act 1991 (NSW) and the regulations under that Act and the conditions attached to the authority have been complied with by the Club.
- (e) the internal controls exercised by Rotary Club of Sydney Incorporated are appropriate and effective for all income received and applied by the Club for its General Fund activities and for fundraising appeals and charitable payment from its Benevolent Fund and the Rotary Soukup Memorial Scholarship Fund.

Dated this 26 day of NOVEMBER 2013

Geoffrey Wilbow
President, Rotary Club of Sydney

These financial statements should be read in conjunction with the attached Compilation Report.

INDEPENDENT AUDITOR'S REPORT

TO ROTARY CLUB OF SYDNEY – BENEVOLENT FUND

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Rotary Club of Sydney – Benevolent Fund (the trust), which comprises the balance sheet as at 30 June 2013, and the income statement, a summary of significant accounting policies and other explanatory notes and the directors of 's (the trustees') declaration.

Trustees' Responsibility for the Financial Report

The trustees of the trust are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the trust deed. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

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



**Chartered
Accountants**

Liability limited by a scheme approved under Professional Standards Legislation.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditors' judgment, 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 auditors consider internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the trustees, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the trustees' financial reporting under the trust deed. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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

Independence

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

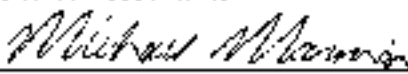
Auditors' Opinion

In our opinion the financial report of the Rotary Club of Sydney – Benevolent Fund is in accordance with the trust deed, including:

- (a) giving a true and fair view of the trust's financial position as at 30 June 2013 and of its performance for the period ended on that date in accordance with the accounting policies described in Note 1; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 and complying with the trust deed.

Name of Firm: **MANNION'S BUSINESS SERVICES PTY LTD**
Chartered Accountants

Name of Partner:



MICHAEL MANNION

Address: SUITE 105, 304-318 THE KINGSWAY CARINGBAH NSW 2229

Dated this 20th day of January 2014

ROTARY CLUB OF SYDNEY INCORPORATED - BENEVOLENT FUND

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2013

ROTARY CLUB OF SYDNEY INCORPORATED – BENEVOLENT FUND

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ROTARY CLUB OF SYDNEY INCORPORATED – BENEVOLENT FUND

**INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2013**

	Notes	2013 \$	2012 \$
GENERAL PURPOSE FUNDS			
ESTATE OF JIM & LORNA SOMERVILLE			
Income			
Bequest received – Cash distribution		0	20,000
Total Bequest		0	20,000
Transfer to General Purpose Funds Corpus – Estate of Jim & Lorna Somerville		0	(20,000)
UNALLOCATED CORPUS			
Income			
Interest and Dividends – Apportionment to Unallocated Corpus		33,517	40,115
Donations and Fundraising Events	7	427,943	377,109
Expenditure			
Unallocated Corpus transfer to Adrian Golding Gift of Life (Board Resolution)		(23,000)	(30,000)
Donations for the year	8	(431,670)	(343,425)
Total Income Less Donations		6,790	43,799
Transfer to General Purpose Funds Corpus – Unallocated Corpus		(6,790)	(43,799)
SPECIAL PURPOSE FUNDS			
JOAN SALTER FUND			
Income			
Interest and Dividends – Apportionment to Joan Salter Fund		11,844	15,246
Expenditure			
Donation Paid	8	(11,000)	(15,000)
Total Income Less Donation		844	246
Transfer to Special Purpose Fund Corpus – Joan Salter Fund		(844)	(246)
ADRIAN GOLDING GIFT OF LIFE FUND			
Income			
Interest and Dividends – Apportionment to Adrian Golding Gift of Life Fund		6,038	7,117
Corpus Transfer received from Unallocated Corpus – Board Resolution		23,000	30,000
Transfer from RCS General Fund – Prior year balance owing now transferred		0	6,661
Expenditure			
Rotary Overseas Medical Aid for Children (ROMAC) Surgical treatment costs	8	(30,000)	(30,000)
Total Income Less Expenditure		(962)	13,778
Transfer to Special Purpose Fund Corpus – Adrian Golding Gift of Life Fund		962	(13,778)
OPPORTUNITY CAMBODIA			
Income			
Donations received		165,121	239,978
Expenditure			
Payments to Opportunity Cambodia		(145,761)	(229,478)
Accrual – Payable at 30 June		(19,360)	(10,500)
Total Income Less Expenditure and Accrual		0	0

The accompanying notes form part of these financial statements

ROTARY CLUB OF SYDNEY INCORPORATED - BENEVOLENT FUND

**BALANCE SHEET
AS AT 30 JUNE 2013**

	Notes	2013 \$	2012 \$
CURRENT ASSETS			
Cash at bank and on deposit	2	1,044,527	1,127,624
Accrued interest – Bank Term Deposits		5,780	4,144
Current receivables	4	20,671	6,886
Un-deposited funds		5,000	0
TOTAL CURRENT ASSETS		1,075,978	1,138,654
INVESTMENTS			
Unlisted Securities at cost	3	9,148	25,390
Listed Securities at cost (Market Value 30.6.2013 \$516,781)	3	501,889	339,263
TOTAL INVESTMENTS		511,037	364,653
TOTAL ASSETS		1,587,015	1,503,307
CURRENT LIABILITIES			
Current payables and accruals	5	199,960	122,925
TOTAL CURRENT LIABILITIES		199,960	122,925
TOTAL LIABILITIES		199,960	122,925
NET ASSETS		1,387,055	1,380,382
BENEVOLENT FUND CORPUS FUNDS			
General Purpose Funds			
Estate of Dagmar Halas	6	374,207	374,207
Estate of Jim & Lorna Somerville	6	120,000	120,000
Unallocated Corpus	6	412,718	405,928
Special Purpose Funds		0	
Joan Salter Fund	6	318,934	318,090
Adrian Golding Gift of Life Fund	6	161,196	162,158
Total Benevolent Fund Corpus Funds		1,387,055	1,380,383

The accompanying notes form part of these financial statements

ROTARY CLUB OF SYDNEY INCORPORATED - BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act of New South Wales. The Board of Directors has determined that the association is not a reporting entity and that the accounting policies adopted are appropriate to meet the needs of the members. The financial report does not comply with International Financial Reporting Standards.

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

(a) Income Tax

No provision for income tax has been raised as the association is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

(b) Donations Received

Donations have been accounted for to the extent that they have been deposited in the bank and recorded in the books of the Rotary Club of Sydney Incorporated.

(c) Donations Paid and Payable

Donations paid and payable are recorded in the books of the Rotary Club of Sydney Incorporated when the commitment has been made by the Board of Directors of the Club.

(e) Listed Securities

Listed securities are carried in the balance sheet at cost. Unrealised profits and losses arising from stock market variations are not brought to account until the investments are realised and actual profits or losses are determined. If in the opinion of investment managers and the Board of Directors there is a permanent diminution in value of a listed investment, this will be recognised in the year it occurs as an adjustment against current earnings.

Dividends and other income earned on listed securities are taken up in the accounts when received and banked. As a not-for-profit entity, franking credits on dividend income is claimed from the Australian Tax Office annually and franking credit income is taken up in the accounts when received and banked.

(f) Corpus Funds

The Board of Directors has adopted Policy Guidelines for the administration of the Benevolent Fund. The corpus of the Benevolent Fund has been categorised by the Board as follows:

- 1) Special Purpose Funds:
Corpus balances represented by bequests and donations paid to the Benevolent Fund where the donor has identified specific objectives or purposes for the funds to be applied for charitable purposes.
- 2) General Purpose Funds:
 - i) Bequests where the donor has not identified specific objectives or purposes for the funds to be applied for charitable purposes; and
 - ii) General unallocated corpus balances that have not been distributed as charitable donations at the end of a Rotary year.
- 3) "Current Year Funds" received in a Rotary year from donations, fundraising or bequests that is designated as expenditure in that Rotary year for specific projects of the Club, or other payments such as to the Rotary Foundation, as determined by the Board of Directors.

Net investment income earned in any one Rotary year is apportioned between the Special Purpose and General Purpose balances according to the corpus balances at the beginning of the financial year. Current Year Funds do not receive an interest allocation in the year of receipt of those funds.

Current Year Funds including all of the net interest allocation to General Purpose Funds are available for distribution in that Rotary year as charitable donations, including payments to the Rotary Foundation and other Rotary charitable entities.

Special Purpose Funds may be expended in excess of annual earnings (utilising part or the entire corpus) where this is consistent with the intention of the bequest or donation, at the discretion of the Board of Directors. In the absence of the Board exercising its discretion to utilise Special Purpose Corpus Funds, income will be available in any one Rotary year for the purpose of making charitable donations.

Current Year Funds and investment earnings on General Purpose Funds that are *not* distributed or committed for distribution in a Rotary year will be added to the corpus balance brought forward from the previous Rotary year to form the current corpus balances for each of the categories of the Benevolent Fund.

General Purpose Funds corpus remaining at year end (after Current Year Fund distributions referred to above) will form the corpus balances of the General Purpose Funds to be carried forward to the next Rotary year. Such corpus balances brought forward will be preserved and not available for distribution as charitable donations.

The Rotary Club of Sydney Incorporated Benevolent Fund is a Deductible Gift Recipient (DGR) for Taxation Purposes, enabling Australian resident donors to the Fund to receive an income tax deduction for donations.

ROTARY CLUB OF SYDNEY INCORPORATED – BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

	2013 \$	2012 \$
NOTE 2: CASH AT BANK AND ON DEPOSIT		
Cash at Bank – Commonwealth Bank	337,632	298,868
Cash at Bank – Macquarie Bank Cash Management	126,895	504,655
Term Deposit – Bank of Adelaide (Maturing Nov 2013)	80,000	0
Term Deposits – Westpac Banking Corporation	0	162,090
Term Deposits – National Australia Bank (Maturing Dec 2013)	200,000	0
Term Deposits – ANZ Banking Group Limited (Maturing Nov & Dec 2013)	300,000	162,011
Total Cash at Bank and on Deposit	1,044,527	1,127,624
NOTE 3: INVESTMENTS		
Unlisted Securities		
AXA Australian Monthly Income Fund	9,149	25,390
Total Unlisted Securities	9,149	25,390
Listed Securities		
	Number 2013	
AGL Energy Limited – Unsecured Subordinated Notes	300	30,000
AMP Limited – Ordinary Fully Paid	3,250	13,992
ANZ Banking Group Limited – Ordinary Fully Paid	1,000	15,925
ANZ Banking Group Limited - Convertible Preference Shares	400	27,027
BHP Billiton Limited – Ordinary Fully Paid	950	28,434
Caltex Australia Limited Notes	350	0
Coca Cola Amatil Limited – Ordinary Fully Paid	1,000	0
Commonwealth Bank of Australia – Ordinary Fully Paid	400	14,607
Commonwealth Bank of Australia – Perls VI Bonds	400	0
IAG Finance NZ Limited – Perpetual Reset Exchangeable Notes	400	27,607
National Australia Bank – Unsecured Redeemable Subordinated Notes	300	30,000
Origin Energy Limited – Unsecured Subordinated Notes	350	30,000
Origin Energy Limited – Ordinary Fully Paid	1,500	0
Orica Limited – Ordinary Fully Paid	750	13,034
QBE Insurance Group Limited – Ordinary Fully Paid	--	13,725
Rio Tinto Limited – Ordinary Fully Paid	300	14,362
Suncorp Group Limited – Non Cumulative Convertible Preference Shares	280	27,720
Santos Limited – Ordinary Fully Paid	1,500	9,958
Telstra Corporation Limited – Ordinary Fully Paid	5,000	12,974
Westpac Banking Corporation Limited – Ordinary Fully Paid	1,000	16,033
Woolworths Limited – Ordinary Fully Paid	--	13,865
Total Listed Securities – at cost	501,889	339,263
Listed Securities – at Market Value 30 June	\$516,781	\$325,233
TOTAL INVESTMENTS AT COST	511,038	364,653
NOTE 4: CURRENT RECEIVABLES		
Rotary Club of Sydney Incorporated – General Fund		
June receipts paid to Benevolent Fund in July	20,671	6,886
Total Current Receivables	20,671	6,886

ROTARY CLUB OF SYDNEY INCORPORATED – BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

	2013 \$	2012 \$
NOTE 5: CURRENT PAYABLES AND ACCRUALS		
Donations approved June 2013 and unpaid at 30 June 2013	145,600	85,000
Donations for Opportunity Cambodia unpaid at 30 June 2013	19,360	10,500
Rotary Club of Sydney General Fund		
– Donation received for President’s Project 2013/2014	25,000	25,000
Donations received June 2013 for President’s Project 2013/2014	10,000	2,425
Total Current Payables and Accruals	199,960	122,925
NOTE 6: CORPUS FUNDS		
GENERAL PURPOSE FUNDS		
ESTATE OF DAGMAR HALAS		
Corpus – Opening Balance	374,207	374,207
Corpus – Closing Balance	374,207	374,207
ESTATE OF JIM & LORNA SOMERVILLE		
Corpus – Opening Balance	120,000	100,000
Income & Expenditure Statement – Bequest	0	20,000
Corpus – Closing Balance	120,000	120,000
UNALLOCATED CORPUS		
Corpus – Opening Balance	405,928	362,129
Income & Expenditure Statement:		
Interest and Dividends	33,517	40,115
Donations and Fundraising	7 427,943	377,109
Donations Paid for the year	8 (431,670)	(343,425)
Transfer to Adrian Golding Gift of Life (Board Resolution)	(23,000)	(30,000)
Corpus – Closing Balance	412,718	405,928
SPECIAL PURPOSE FUNDS		
JOAN SALTER FUND		
Corpus – Opening Balance	318,090	317,844
Income & Expenditure Statement:		
Investment Income	11,844	15,246
Donation Paid	8 (11,000)	(15,000)
Corpus – Closing Balance	318,934	318,090
ADRIAN GOLDING GIFT OF LIFE FUND		
Corpus – Opening Balance	162,158	148,380
Income & Expenditure Statement:		
Board Resolution: Transfer from General Purpose Funds	23,000	30,000
Balance owing by General Fund transferred to Corpus	0	6,661
Investment Income	6,038	7,117
Expenditure – Surgical Treatment Costs	(30,000)	(30,000)
Corpus – Closing Balance	161,196	162,158

ROTARY CLUB OF SYDNEY INCORPORATED – BENEVOLENT FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

	2013 \$	2012 \$
NOTE 7: DONATIONS AND FUNDRAISING EVENTS		
Donations Received		
Club/President's Projects (2013: Timor Leste Health Project)	168,920	284,616
Rotary Club of Sydney General Fund for President's Project –		
Paid in June 2011 for President's Project 2011/2012	0	20,000
Paid in June 2012 for President's Project 2012/2013	25,000	0
Donations for Timor Education Project	81,040	0
Fundraising Events		
Fiducian Golf Day (Vision Beyond Aus Project)	105,301	56,538
ANZAC Day BBQ	8,225	8,442
Timor Leste President's Project fundraising events	39,457	0
Other Fundraising Events in Rotary year 2011/2012	0	7,513
Total Donations and Fundraising Events	427,943	377,109
NOTE 8: DONATIONS PAID		
General Fund – Unallocated Corpus		
President's Project – Timor Leste Health Project	200,000	0
Vision Beyond Aus – Eye Surgery in India	115,000	0
Timor Leste – Education Project	81,040	0
Schizophrenia Foundation – Part of \$16,000 donation for the year	5,000	0
Rotary Fund of Sydney payments to Rotary Foundation	24,400	0
PCYC Time for Kids project	200	0
Multiple Sclerosis Society – MS Megaswim	5,000	0
RAWCS: Matching Grant for Thailand water project	1,030	0
Donations in Rotary Year 2010/2011	0	343,425
Total – Unallocated Corpus	431,670	343,425
JOAN SALTER FUND		
Schizophrenia Foundation - part of \$16,000 donation for year	11,000	15,000
ADRIAN GOLDING GIFT OF LIFE		
Rotary Overseas Medical Aid for Children – Surgery Costs	30,000	30,000
Total Donations Paid	472,679	388,425

ROTARY CLUB OF SYDNEY INCORPORATED – BENEVOLENT FUND

STATEMENT BY MEMBERS OF THE BOARD OF DIRECTORS

The Board of Directors 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.

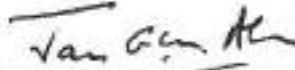
In the opinion of the Board of Directors the financial report as set out on pages 1 to 7:

1. Presents a true and fair view of the financial position of Rotary Club of Sydney Incorporated - Benevolent Fund as at 30 June 2013 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Rotary Club of Sydney Incorporated - Benevolent Fund will be able to pay its debts as and when they fall due.

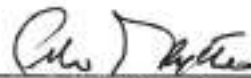
This statement is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Board by:



Geoffrey Wilbow
President, Rotary Club of Sydney



James Allen
Immediate Past President, Rotary Club of Sydney



Peter Blythe FCA
Treasurer, Rotary Club of Sydney 2012/2013

Dated this 26 day of NOVEMBER 2013

CERTIFICATE BY MEMBER OF THE BOARD OF DIRECTORS

I, Geoffrey Wilbow, President of the Rotary Club of Sydney Incorporated, declare that in my opinion:

- (a) the accounts for the year ended 30 June 2013 give a true and fair view of all income and expenditure of Rotary Club of Sydney Incorporated – Benevolent Fund with respect to general Club activities. The balance sheet as at 30 June 2013 gives a true and fair view of the state of affairs of the Rotary Club of Sydney Incorporated – Benevolent Fund.
- (b) the provisions of the Charitable Fundraising Act 1991 (NSW) and the regulations under that Act and the conditions attached to the authority have been complied with by the Club.
- (c) the internal controls exercised by Rotary Club of Sydney Incorporated are appropriate and effective for all income received and applied by the Club for its General Fund activities and for fundraising appeals and charitable payment from its Benevolent Fund.

Dated this 25 day of NOVEMBER 2013

Geoffrey Wilbow
President, Rotary Club of Sydney

INDEPENDENT AUDITOR'S REPORT

TO THE ROTARY SOUKUP MEMORIAL SCHOLARSHIP FOUNDATION

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of the Rotary Soukup Memorial Scholarship Foundation (the Trust), which comprises the balance sheet as at 30 June 2013, and the income statement, a summary of significant accounting policies and other explanatory notes and the directors of the Trust (the trustees') declaration.

Trustees' Responsibility for the Financial Report

The trustees of the Trust are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the trust deed. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

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



**Chartered
Accountants**

is a body limited by a scheme approved under Professional Standards Legislation

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditors' judgment, 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 auditors consider internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the trustees, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the trustees' financial reporting under the trust deed. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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

Independence

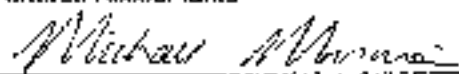
In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Auditors' Opinion

In our opinion the financial report of the Rotary Spakup Memorial Scholarship Foundation is in accordance with the trust deed, including:

- (a) giving a true and fair view of the trust's financial position as at 30 June 2013 and of its performance for the period ended on that date in accordance with the accounting policies described in Note 1; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 and complying with the trust deed.

Name of Firm: MANNION'S BUSINESS SERVICES PTY LTD
Chartered Accountants

Name of Partner: 
MICHAEL MANNION

Address: SUITE 105, 304-318 THE KINGSWAY CARINGBAH NSW 2229

Dated this 20th **day of January 2014**

**THE ROTARY SOUKUP MEMORIAL SCHOLARSHIP FOUNDATION
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2013**

THE ROTARY SOUKUP MEMORIAL SCHOLARSHIP FOUNDATION

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THE ROTARY SOUKUP MEMORIAL SCHOLARSHIP FOUNDATION

**INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2013**

	Notes	2013 \$	2012 \$
INCOME			
Investment Income:			
Interest income		24,286	33,192
Dividends received		22,895	17,180
Investment management expenses		<u>(8,189)</u>	<u>(6,681)</u>
Net Investment Income		38,992	43,691
Profit/(Loss) on sale of listed securities		(1,042)	(170)
Total Income		<u>37,950</u>	<u>43,521</u>
EXPENSES			
Bank fees		39	11
Tertiary Student Scholarship Payments		6,000	48,050
Total Expenses		<u>6,039</u>	<u>48,061</u>
Surplus/(Deficit) – Scholarship payments over current income		<u>31,911</u>	<u>(4,529)</u>
Accumulated surplus at the beginning of the year		3,843	8,372
Surplus/(Deficit) for the year		31,911	(4,529)
Accumulated surplus at the end of the year		<u>35,754</u>	<u>3,843</u>

The accompanying notes form part of these financial statements.

THE ROTARY SOUKUP MEMORIAL SCHOLARSHIP FOUNDATION

**BALANCE SHEET
AT 30 JUNE 2013**

	Notes	2013	2012
			\$
<hr/>			
CURRENT ASSETS			
Cash at bank and on deposit	2	619,185	626,094
Accrued interest – Bank Term Deposits		4,983	3,885
		<hr/>	
TOTAL CURRENT ASSETS		624,168	629,979
		<hr/>	
INVESTMENTS			
Listed Securities at cost (Market Value 30.6.2013 \$429,446)	3	411,586	373,864
TOTAL INVESTMENTS		411,586	373,864
		<hr/>	
TOTAL ASSETS		1,035,754	1,003,843
		<hr/>	
CURRENT LIABILITIES		0	0
		<hr/>	
NET ASSETS		1,035,225	1,003,843
		<hr/>	
CORPUS FUNDS			
Settlement capital		1,000,000	1,000,000
Accumulated surplus at year end		35,754	3,843
		<hr/>	
Total Equity- Corpus Funds		1,035,754	1,003,843
		<hr/>	

The accompanying notes form part of these financial statements.

THE ROTARY SOUKUP MEMORIAL SCHOLARSHIP FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act of New South Wales. The Board of Directors of the Rotary Club of Sydney Incorporated has determined that the association is not a reporting entity and that the accounting policies adopted are appropriate to meet the needs of the members. The financial report does not comply with International Financial Reporting Standards.

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

(a) Income Tax

No provision for income tax has been raised as the association is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

(b) Donations Received

Donations have been accounted for to the extent that they have been deposited in the bank and recorded in the books of the Rotary Club of Sydney Incorporated.

(c) Scholarship Payments

The Foundation was created pursuant to a Deed dated 7 December 2007 and through the assumption by the Foundation of Funds previously held by the Soukup Scholarship Trust. The Soukup Memorial Scholarship Trust was established in memory of Vaclav and Bed'a Soukup.

The trustee of the Foundation is the Rotary Club of Sydney Incorporated. The trust funds are administered under the control of the Board of Directors of the Rotary Club of Sydney Incorporated. The Board has established a committee of members of the Rotary Club to assess applications received for tertiary scholarships and to recommend to the Board of Directors the successful applicants for scholarships. The Board of Directors approves the payment of the scholarships moneys to successful applicants.

(e) Listed Securities

Listed securities are carried in the balance sheet at cost. Unrealised profits and losses arising from stock market variations are not brought to account until the investments are realised and actual profits or losses are determined. If in the opinion of investment managers and the Board of Directors there is a permanent diminution in value of a listed investment, this will be recognised in the year it occurs as an adjustment against current earnings.

Dividends and other income earned on listed securities are taken up in the accounts when received and banked. As a not-for-profit entity, franking credits on dividend income is claimed from the Australian Tax Office annually and franking credit income is taken up in the accounts when received and banked.

ROTARY CLUB OF SYDNEY INCORPORATED – BENEVOLENT FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

	2013	2012
	\$	\$
<hr/>		
NOTE 2: CASH AT BANK AND ON DEPOSIT		
Cash at Bank – Commonwealth Bank	20,550	24,486
Cash at Bank – Macquarie Bank Cash Management	143,635	297,764
Term Deposit – Bank of Adelaide (Maturity November 2013)	75,000	0
Term Deposits – National Australia Bank (Maturities December 2013)	190,000	0
Term Deposits – ANZ Banking Group Limited (Maturities December 2013)	190,000	151,885
Term Deposit – Westpac Banking Corporation	0	151,959
Total Cash at Bank and on Deposit	619,185	626,094

NOTE 3: INVESTMENTS

	Number		
Listed Securities	2013		
AGL Energy Limited – Unsecured Subordinated Notes	250	25,000	25,000
AMP Limited – Ordinary Fully Paid	3,500	17,811	15,048
ANZ Banking Group Limited – Ordinary Fully Paid	1,000	23,542	19,005
ANZ Banking Group Limited - Convertible Preference Shares	300	30,030	30,030
BHP Billiton Limited – Ordinary Fully Paid	800	33,932	33,932
Caltex Australia Limited – Notes	350	35,000	0
Commonwealth Bank of Australia – Ordinary Fully Paid	400	19,460	19,460
IAG Finance NZ Limited – Perpetual Reset Exchangeable Notes	400	40,864	40,864
National Australia Bank – Unsecured Redeemable Subordinated Notes	250	25,000	25,000
Origin Energy Limited – Unsecured Subordinated Notes	300	30,485	25,425
Origin Energy Limited – Ordinary Fully Paid Shares	1,500	17,070	0
Orica Limited – Ordinary Fully Paid	600	15,036	15,036
QBE Insurance Group Limited – Ordinary Fully Paid	--	0	15,438
Rio Tinto Limited – Ordinary Fully Paid	250	17,958	17,958
Suncorp Group Limited – Non Cumulative Convertible Preference Shares	300	29,700	29,700
Santos Limited – Ordinary Fully Paid	1,300	16,084	11,516
Telstra Corporation Limited – Ordinary Fully Paid	5,500	15,345	15,345
Westpac Banking Corporation Limited	900	19,269	19,269
Woolworths Limited	--	0	15,838
Total Listed Securities – at cost		411,586	373,864
 <i>Listed Securities At Market Value 30 June</i>		429,446	356,780
TOTAL INVESTMENTS AT COST		411,586	373,864

THE ROTARY SOUKUP MEMORIAL SCHOLARSHIP FOUNDATION

DIRECTORS' DECLARATION

The directors of the Trustee, the Rotary Club of Sydney Incorporated, declare that The Rotary Soukup Memorial Scholarship Foundation 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.

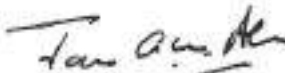
The directors of the Trustee declare that:

1. the financial statements and notes set out on pages 1 to 4 present a true and fair view of the financial position of The Rotary Soukup Memorial Scholarship Foundation as at 30 June 2013 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 Rotary Soukup Memorial Scholarship Foundation will be able to pay its debts as and when they fall due.

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



Geoffrey Wilbow
President, Rotary Club of Sydney



James Allen
Immediate Past President, Rotary Club of Sydney



Peter Blythe FCA
Treasurer, Rotary Club of Sydney 2012/2013

Dated this 26 day of November 2013