

# **SYDNEY HIGH SCHOOL OLD BOYS' UNION INCORPORATED**

## **FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31ST DECEMBER 2008**

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# **SYDNEY HIGH SCHOOL OLD BOYS' UNION INCORPORATED**

## **Councillors' Report**

**For the year ended 31 December, 2008**

Your councillors submit the financial accounts of the Association for the financial year ended 31 December, 2008.

The names the of councillors at the date of this report are:

J WAUGH	K KRUSZELNICKI
K CLEMENS	J SOLOMONS
C SHERWOOD	M LIVINGSTON
V LITTLEWOOD	S KREMER
N SCUDDER	T LEWIS
D BRIGGS	B JAKEMAN
J POINTING	A GOVENDIR
M LIVINGSTON	
W CLEGG	

### **Principal Activities**

The principal activities of the association during the financial year was to promote and foster the interests of Sydney High School.

### **Significant Changes**

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

### **Operating Result**

The net deficit of the Union for the year ended 31st December 2008 was    -\$22,527

Signed in accordance with a resolution of the Council members on :

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**President**

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**Treasurer**

# **SYDNEY HIGH SCHOOL OLD BOYS' UNION INCORPORATED**

## **Councillors' Declaration**

**For the year ended 31 December, 2008**

The Council 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 Council, the Income and Expenditure Statement, Balance Sheet, and Notes to the Financial Statements

1. Presents fairly the financial position of the Association as at 31 December, 2008 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 association will be able to pay its' debts as and when they fall due.

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

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**President**

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**Treasurer**

# SYDNEY HIGH SCHOOL OLD BOYS' UNION INCORPORATED

## Balance Sheet As At 31 December, 2008

	Note	2008 \$	2007 \$
<b>Current Assets</b>			
Cash assets	2	9,913	32,670
Inventories	3	3,697	3,097
Other	5	779	0
<b>Total Current Assets</b>		14,389	35,767
<b>Non-Current Assets</b>			
Other financial assets	4	80,261	95,835
Property, plant and equipment	6	1,830	2,290
<b>Total Non-Current Assets</b>		82,091	98,125
<b>Total Assets</b>		96,480	133,892
<b>Current Liabilities</b>			
Payables	7	0	1,400
Current tax liabilities	9	0	2,092
<b>Total Current Liabilities</b>		0	3,492
<b>Non-Current Liabilities</b>			
Creditors and Borrowings	8	4,802	16,195
<b>Total Non-Current Liabilities</b>		4,802	16,195
<b>Total Liabilities</b>		4,802	19,687
<b>Net Assets</b>		\$91,678	\$114,205
<b>Members' Funds</b>			
Retained profits		91,678	114,205
<b>Total Members' Funds</b>		\$91,678	\$114,205

The accompanying notes form part of the financial statements

# SYDNEY HIGH SCHOOL OLD BOYS' UNION INCORPORATED

## Income & Expenditure Statement

For the year ended 31 December, 2008

	2008	2007
	\$	\$
<b>Income</b>		
Member Subscriptions	27,085	15,941
Donations	265	156
Distribution from trusts	15,213	11,253
GPS Ties	1,086	
Interest received	545	22
Expenses Recovered from SLM Fund	3,410	15,085
Other income	7,387	4,216
Total income	<u>54,991</u>	<u>46,673</u>
<b>Expenses</b>		
Audit fees	2,000	2,000
Bank Fees And Charges	693	698
Bulletin & Postage	16,556	8,683
Computer & Software Expenses	2,584	3,233
Consultants fees	12,000	12,000
Depreciation	460	572
Donations	900	5,110
General expenses	209	877
GPS Ties	372	0
History Books Written off	0	10,033
Interest - SLM Trust Fund	1,150	1,911
Investment Losses (unrealised)	30,787	0
Meeting Expenses	0	684
Printing & stationery	336	451
Postage	1,052	564
Reunion Dinner 1988	4,805	0
SBHS Foundation Books	1,263	0
Student Life Membership Running Costs	771	2,722
Subscriptions	1,250	350
Telephone	330	487
Total expenses	<u>77,518</u>	<u>50,375</u>
<b>Profit from ordinary activities before income tax</b>	-22,527	-3,702
Opening retained profits	114,205	117,907
<b>Closing retained profits</b>	<u>\$91,678</u>	<u>\$114,205</u>

The accompanying notes form part of the financial statements

# **SYDNEY HIGH SCHOOL OLD BOYS' UNION INCORPORATED**

## **Notes to the Financial Statements**

**For the year ended 31 December, 2008**

### **Note 1: Statement of Accounting Policies**

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations's Incorporation act. The committee has determined that the association is not a reporting entity and therefore special purpose financial reports have been prepared solely to meet the information needs of the members of the Association.

The financial report has been prepared in accordance with the requirements of the Associations Incorporation Act and the following Australian Accounting Standards:

AAS 5: Materiality

AAS 8: Events Occurring After Balance date

No other Australian Accounting Standards, Urgent Issues Group Consensus Views or other authoritative pronouncements of the Australian Accounting Standards Board have been applied. 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 specific 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**

The Association is exempt from payment of Income Tax by virtue of Section 50-5 of the Income Tax Assessment Act, 1997.

#### **(b) Plant & Equipment**

Plant & Equipment is 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 is held ready for use.

#### **(c) Inventory**

Inventory held at year end included OBU ties and High Bulletin shells.

# **SYDNEY HIGH SCHOOL OLD BOYS' UNION INCORPORATED**

## **Notes to the Financial Statements For the year ended 31 December, 2008**

### **(d) Life Membership Fund**

Past treatment has been to bring to account, as income, an amount calculated annually as the approximate cost of servicing the fully and partly paid life membership. This amount was previously set at \$12.50 per member. This charge been reduced to \$6.00 for the 2007 and 2008 years.

### **(e) Student Life Membership Fund**

This fund comprises amounts paid on account by students towards life membership of the Union. Interest earned on these funds is added to the fund and an amount of \$5 per student per year will be deducted to cover record keeping and other costs.

When a student leaves school and has the required amount eligible for Life Membership, the total amount accumulated will be transferred from this fund to the Life Membership Fund. Of this amount \$12 is recognised as consideration received for the sale of the Centenary History Book and is disclosed as revenue.

If the student has made contributions and leaves school prior to achieving the total amount required for Life Membership then the balance will be transferred to Ordinary Subscriptions as a partly paid member.

### **(f) Investments - Market Value**

The investments in AMP Monthly Income Fund No 2 shown in the accounts at note 4 are presented at market value. The number of units held as at 31st December 2008 were 118,034.

Due to the Global Economic Crises and the resultant effect on Managed Funds, the investment lost \$30,787 or 28% in value over the period. These losses are unrealised and subject to the variation of unit prices of the fund.

# SYDNEY HIGH SCHOOL OLD BOYS' UNION INCORPORATED

## Notes to the Financial Statements For the year ended 31 December, 2008

	2008 \$	2007 \$
<b>Note 2: Cash assets</b>		
Bank accounts:		
- Cash At Bank	9,913	32,670
	9,913	32,670
	9,913	32,670
<b>Note 3: Inventories</b>		
<b>Current</b>		
Inventory at cost	3,697	3,097
	3,697	3,097
	3,697	3,097
<b>Note 4: Other Financial Assets</b>		
<b>Non-Current</b>		
Units in unit Trusts - at market value		
- AMP Monthly Income Fund No 2	80,261	95,835
	80,261	95,835
	80,261	95,835
<b>Note 5: Other Assets</b>		
<b>Current</b>		
Trade receivable	30	0
Group GST receivable	749	
	779	0
	779	0
<b>Note 6: Property, Plant and Equipment</b>		
Plant and equipment:		
- At cost	10,688	10,688
- Less: Accumulated amortisation	-8,858	-8,398
	1,830	2,290
	1,830	2,290
<b>Note 7: Payables</b>		
Unsecured:		
- Other creditors	0	1,400
	0	1,400
	0	1,400



# SYDNEY HIGH SCHOOL OLD BOYS' UNION INCORPORATED

## Notes to the Financial Statements For the year ended 31 December, 2008

	2008	2007
	\$	\$
<b>Note 8: Creditors and Borrowings</b>		
<b>Non-Current</b>		
<b>Unsecured:</b>		
<b>Trust Funds Prizes and Bequests</b>		
- General	100	100
- J.W. Gibbs Memorial	400	400
- Arch Fergusson Prize	500	500
Life Membership Fund	173	-2,673
Student Life Membership Fund	3,629	17,868
	<u>4,802</u>	<u>16,195</u>
<b>Note 9: Tax Liabilities</b>		
<b>Current</b>		
GST clearing	0	2,092
	<u>0</u>	<u>2,092</u>
<b>Note 10: Auditors' Remuneration</b>		
Remuneration of the auditor of the company for:		
Auditing or reviewing the financial report	2,000	2,000
Other services	-	-
	<u>2,000</u>	<u>2,000</u>



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## THE SYDNEY HIGH SCHOOL OLD BOYS' UNION INCORPORATED

### Independent Auditor's Report to the Members

#### Report on the Financial Report

I have audited the accompanying financial report, being a special purpose financial report, of The Sydney High School Old Boys' Union Incorporated, which comprises the Balance sheet as at 31 December 2008, and the Income and Expenditure statement for the year then ended, a summary of significant accounting policies, other explanatory notes and the statement by members of the committee.

#### *Committee's Responsibility for the Financial Report*

The committee of the association is responsible for the preparation and fair presentation of the financial report and have determined the accounting policies used and described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the requirements of the Association and are appropriate to meet the needs of the members. The committee's responsibilities also 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.

#### *Auditor's Responsibility*

My responsibility is to express an opinion on the financial report based on my 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. I conducted my 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.

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 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 auditor considers internal control relevant to the co-operative'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 association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, 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 committee's financial reporting requirements under. I 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.

I believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for my audit opinion.

*Independence*

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

***Auditor's Opinion***

In my opinion, the financial report of The Sydney High School Old Boys' Union Incorporated presents fairly, in all material respects, the financial position of the association as at 31 December 2008 and of its financial performance for the year then ended, in accordance with the accounting policies described in Note 1 to the financial statements.



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**GLENN MCEWEN**

Dated this *27<sup>th</sup>* day of April 2009