OLD SYDNEIANS’ UNION

(A COMPANY LIMITED BY GUARANTEE)
(A.B.N. 83 000 207 438)

Originally known as the Sydney Grammar School Old Boys’ Union which was founded at the School on 22 September 1893.

・

SIXTIETH
ANNUAL REPORT

TO BE PRESENTED AT THE SIXTIEH ORDINARY GENERAL MEETING
ON WEDNESDAY 22 NOVEMBER 2017 AT 6.00pm

TO BE HELD IN THE FOYER OF THE ALASTAIR MACKERRAS THEATRE AT SYDNEY GRAMMAR SCHOOL, SYDNEY
PAST PRESIDENTS

1893-97 A.B. WEIGALL
1897-1901 SIR EDMUND BARTON
1901-05 THE RIGHT HONOURABLE SIR EDMUND BARTON
1905-20 THE HON R.J. BLACK
1920-22 H.A. RUSSELL
1922-24 DR E.A. BREARLEY
1924-26 ROBERT VICARS
1926-28 SIR JAMES FAIRFAX, KBE
1928-30 SIR SAMUEL HORDERN
1930-32 GENERAL SIR HARRY CHAUVEL
1932-34 R.S. MURRAY-PRIOR
1934-36 THE HON E.M. MITCHELL
1936-38 NORMAN L. COWPER
1938-40 F.F. BUCHANAN
1940-42 ORWELL PHILLIPS
1942-44 R.E. LUDOWICI
1944-46 L.L. ROBERTSON
1946-48 NORMAN L. COWPER
1948-50 THE HON. MR JUSTICE L.J. HERRON
1950-52 HIS HONOUR JUDGE A.S. LLOYD, ED, AC
1952-54 W.E.R. FRANCIS
1954-56 LYLE H. MOORE
1956-58 W.E.R. FRANCIS
1958-60 SIR RONALD GRIEVE
1960-62 G.J. CROUCH
1962-64 G.K. HERRING
1964-66 J.D. LESLIE
1966-68 C.W.L. BOYD
1968-70 SIR LIONEL COPPLESON
1970-72 JAMES CRAWFORD
1972-74 J.N. BRIDGLAND
1974-76 BRIGADIER J.A. GILCHRIST, ED.
1976-78 J.A. BARNETT
1978-80 F.M. BUCKLE
1980-82 R.A. BRADSHAW
1982-84 J.M. DEZARNAULDS
1984-86 J.C. EDWARDS
1986-88 J.A. BARNETT
1988-90 N.G. LAYTON
1990-92 W.J.C. DIVE
1992-94 J.P. EVANS
1994-97 N.S. VIDA
1997-99 O.P. PHILLIPS
1999-01 N.S. VIDA
2001-04 D.G. FAIRLIE
2004-07 A.F. CRAWFORD
2007-09 L.M. SHOHMELIAN
2009-12 N.S. VIDA
2012-13 N. R. COWDERY, AM, QC
2013-15 J. SEALLY
2016-17 I G PLATER

OFFICE-BEARERS AS AT 25 OCTOBER 2017

Patron: DAVID GONSKI, AC

President: I. G. PLATER
Immediate Past President: J. SEALLY
Committee – Ex Officio
Chairman of Trustees: MR. D. KIRK, MBE
Headmaster: DR R.B. MALPASS:

London Branch President: A.L.R. JACK
Melbourne Branch President: A. JOHNSTON

Committee – Elected

W. DIVE (Hon Secretary) A. BLACKMAN (Hon Treasurer) J. EDWARDS
P.F. GIBBY N. MANETTAS L.M. SHOHMELIAN
P. INBERG B. MARICH N. STEINER
J. LEVIS D.J. OWEN R. STUBLEY
A REEVES R.SMITH M. TOLL

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Sixtieth Annual General Meeting of the Old Sydneians’ Union (a company limited by guarantee) will be held in the Alastair Mackerras Theatre Foyer at Sydney Grammar School on Wednesday 22 November, 2017 at 6.00 pm.

BUSINESS:

2. To elect the Committee for the ensuing year.

By Order of the Committee

W DIVE Hon. Secretary
25 October 2017

O.S.U. Office, Sydney Grammar School College St Darlinghurst 2010 Telephone 9332-5843

Nominations Forms for candidates for the Committee may be obtained from the OSU Office or www.osu.com.au. Nomination Forms MUST be lodged with the Hon Secretary at secretary@osu.com.au or at the OSU office by 4.00pm Friday 17 November 2017

Presidents Report

I am delighted to deliver this report on the activities of the Old Sydneians’ Union for 2017. During this year we have welcomed a new Headmaster, an Old Sydneian, Dr Richard Malpass and announced our inaugural Old Sydneian of the Year.

Our Annual Dinner held in Big School on Thursday 17 August was again well attended and was an occasion to Welcome Dr Malpass as Headmaster. We were enthralled with the Headmaster describing his efforts to present his unique connection with the School, which required an exploration of the history of the School back to its earliest days. Dr Malpass has discovered he is not the first Old Sydneian to return as Headmaster, nor is he the first teacher from Christ’s College to be Headmaster, unique or not, we welcome Dr Malpass back as Headmaster. The evening provided a relaxed and friendly occasion for reminiscences, renewal of friendships and to see the new Headmaster in action. We were delighted to have a broad range of attendees including father and son teams of Hal Myers (1940) and Roger Myers (1984), Ian (1950-51) and Hamish (1989) Mackay, James (1982) and Peter Stevens (2016). An exceptional range of great vintages.

At the Annual Dinner I was delighted to announce the winner of the inaugural Old Sydneian of the Year award being Mr Bill Dive, our current Honorary Secretary and a past President of the OSU. Bill has been making a contribution to the School and the OSU for some 50 years since leaving Sydney Grammar. Congratulations Bill and to the other outstanding nominees. I am sure we will have many outstanding Old Sydneians’ to recognise in future years. For more details and to nominate a candidate for 2018 please go to the OSU website.

At the other end of the spectrum, I was delighted to announce our OSU Scholar for 2017, Jagen Yoon who is currently completing his final exams, which includes art. It is a pleasure to include an image of one of his recent works below. We wish Jagen well in his exams and future as an artist.
Our Annual Golf Day turned into 2 days this year, due to the torrential downpour in March where the small number of enthusiasts were washed from the course after 9 holes. We had a much improved outing in October, with warm sunshine, although a strong wind grew during the round at Moore Park Golf Club. Congratulations to David Fayn (standing in very well for his brother, Greg) and Andrew Hunt for a very strong effort with 42 points to carry away the J A Buckle Trophy.

I am delighted that we have put the OSU back on a sound financial footing and have an essential close and positive working relationship with the School and The Headmaster. Our results for the year reflect our cost management and support of 2016 leavers resulting in a surplus for the year of $38,263. We are having discussions about supporting events overseas with the Headmaster in 2018 and I sincerely hope that these will come to fruition.

More like stop press, but the OSU is pleased to encourage support for the Banksia Project. This is an initiative to support mens’ mental health and wellness activities. I encourage Old Sydneians’ to show support by attending the fund raising ball at the Hilton on 11 November, more details on our website.

My overwhelming thanks to Wendy Scotter for her continued efforts and support throughout the year. Again, with energetic and untiring support from Tina Demetriou for the Annual Dinner. Thanks to the generous time given to the Committee by our 2017 committee members and we look forward to a busy and exciting 2017.

Ian Plater (1969)
President
25 October 2017
STATUTORY REPORT OF THE COMMITTEE

The Committee herewith submits the Financial Report for the year ended 30 June 2017 and reports as follows:

The elected Committee at the date of this report is as shown below.

A. BLACKMAN (Hon Treasurer) Company Director Hon. Treasurer
W. DIVE Land Surveyor Hon Secretary
J. EDWARDS Registered Valuer
N. EVANS (resigned 11/8/17) Company Director
P.F. GIBBY Company Director
P. INBERG Company Director
J. LEVIS Company Director
N. MANETTAS Bank Executive
B. MARICH Company Director
D.J. OWEN Company Director
A REEVES Director
I.G. PLATER Company Director President
L.M. SHOHMELIAN Solicitor Immediate Past President
J. SEALLY Management Consultant
R.SMITH
N. STEINER Management Consultant
M. TOLL Company Director

The Old Sydneians' Union is a company limited by guarantee and accordingly, every member of the Union, including each of the Committee Members, holds one share. No Committee member has any interest in a contract or proposed contract, being an interest which has not been declared at a Committee Meeting in accordance with sub-section 191(1) of the Corporations Act, 2001.

The principal activity of the Union is maintaining an association among the Old Boys of Sydney Grammar School to promote and foster the interests of the School.

The result of the Company for the year was an operating profit after tax of $38,263 (2016 – loss of $24,336)

The review of operations is as set out in the President’s Report on page 3.

There has been no significant change in the state of affairs of the Company during the financial year.

There are no likely developments in the operations of the Company which are anticipated to materially affect the results of the operations as compared to the current year.

Since the end of the previous financial year no Committee Member has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Committee members shown in the accounts, or the fixed salary of a full-time employee of the Company or of a related corporation) by reason of a contract made by the Company or a related corporation with the Committee Member or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

For and on behalf of the Committee,

I.G. Plater President
A Blackman Hon Treasurer

Sydney
25 October 2017
DIRECTORS’ DECLARATION

In accordance with a resolution of the Committee of the Old Sydneians’ Union, in the opinion of the Directors:

i. the financial report of the Company is drawn up so as to give a true and fair view of the performance of the Company for the year ended 30 June 2017 and the financial position as at that date; and

ii. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The financial report has been made out in accordance with applicable Accounting Standards and Corporations Regulations.

I.G. Plater  
President

Sydney  
25 October 2017

A Blackman  
Hon Treasurer

### INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2017

<table>
<thead>
<tr>
<th>Note</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>INCOME</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subscriptions</td>
<td>27,930</td>
<td>-</td>
</tr>
<tr>
<td>Dividends and distributions</td>
<td>16,566</td>
<td>9,268</td>
</tr>
<tr>
<td>Interest</td>
<td>1,363</td>
<td>1,469</td>
</tr>
<tr>
<td>Reunions and Functions</td>
<td>14,882</td>
<td>350</td>
</tr>
<tr>
<td>Donation/Sale of Goods</td>
<td>1,348</td>
<td>135</td>
</tr>
<tr>
<td>Unrealised gain on Managed Funds (UBS)</td>
<td>5,294</td>
<td>209</td>
</tr>
<tr>
<td>Unrealised gain (loss) on equity (BHP)</td>
<td>12,290</td>
<td>(18,425)</td>
</tr>
<tr>
<td><strong>INCOME</strong></td>
<td>79,673</td>
<td>(6,994)</td>
</tr>
<tr>
<td><strong>EXPENSES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounting Fees</td>
<td>5,269</td>
<td>5,385</td>
</tr>
<tr>
<td>Affiliation Fees- GPS Old Boy’s Union</td>
<td>350</td>
<td>-</td>
</tr>
<tr>
<td>Auditor’s remuneration</td>
<td>1,200</td>
<td>-</td>
</tr>
<tr>
<td>Bank Charges</td>
<td>428</td>
<td>697</td>
</tr>
<tr>
<td>Legal and filing fees</td>
<td>46</td>
<td>445</td>
</tr>
<tr>
<td>OSU Scholarship</td>
<td>6,000</td>
<td>6,000</td>
</tr>
<tr>
<td>Other fees and charges</td>
<td>76</td>
<td>-</td>
</tr>
<tr>
<td>Printing/Postage/Telephone</td>
<td>152</td>
<td>415</td>
</tr>
<tr>
<td>Reunions and Functions</td>
<td>16,669</td>
<td>1,375</td>
</tr>
<tr>
<td>Trademark registration</td>
<td>1,020</td>
<td>-</td>
</tr>
<tr>
<td>Website and IT</td>
<td>1,660</td>
<td>7,811</td>
</tr>
<tr>
<td><strong>EXPENSES</strong></td>
<td>32,870</td>
<td>22,128</td>
</tr>
<tr>
<td><strong>OPERATING PROFIT before Income Tax</strong></td>
<td>46,803</td>
<td>(29,122)</td>
</tr>
<tr>
<td>Income tax (expense) credit</td>
<td>8,540</td>
<td>4,786</td>
</tr>
<tr>
<td><strong>OPERATING PROFIT (LOSS) after Income Tax</strong></td>
<td>38,263</td>
<td>(24,336)</td>
</tr>
</tbody>
</table>

Retained Profits- 1 July  
$280,823    305,159

Retained Profits- 30 June  
$319,086    $280,823

The accompanying notes from an integral part of these statements
BALANCE SHEET AS AT 30 JUNE 2017

<table>
<thead>
<tr>
<th>Note</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

**CURRENT ASSETS**
- Cash at Bank: 27,956
- Cash on Deposit: 50,000
- Other: 8,091
**TOTAL CURRENT ASSETS**: 86,047

**NON-CURRENT ASSETS**
- Investments in Equities: 3
  - 2017: 55,295
  - 2016: 43,005
- Investments in Managed Funds: 4
  - 2017: 204,602
  - 2016: 190,146
**TOTAL NON-CURRENT ASSETS**: 259,897

**TOTAL ASSETS**: 345,944

**CURRENT LIABILITIES**
- Creditors: 6,000
- Taxes Payable: 3,827
- Deferred Tax: 17,031
**TOTAL CURRENT LIABILITIES**: 26,858

**TOTAL LIABILITIES**: 26,858

**NET ASSETS**: 319,086

**RESERVES**
- Retained Profits: 319,086
**TOTAL RESERVES**: 319,086

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2017**

**CASH FLOWS FROM OPERATING ACTIVITIES**
- Receipts from Operations: 44,160
- Taxes refunded (paid): (61)
- Payments to Suppliers and ATO: (25,905)
- Scholarship: (6,000)
**NET CASH (OUTFLOW) FROM OPERATING ACTIVITIES**: 12,194

**CASH FLOWS FROM INVESTING ACTIVITIES**
- Interest Received: 1,363
- Dividends and Distributions Received: 10,819
- Investments in Managed Funds: (9,162)
**NET CASH INFLOW FROM INVESTING ACTIVITIES**: 3,020

**NET DECREASE IN CASH HELD**: 15,214

**Cash - 1 July**: 62,742
**CASH - 30 June**: $77,956

**The accompanying notes from an integral part of these statements**
NOTES TO THE REPORT

1. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting
The report has been prepared on the basis of historical costs and where stated take into account current valuations of equity investments.

a) Investments in equities
Investments are recorded at the market value at year end. Dividend income is recorded when received.

b) Investments in managed funds
Investments are recorded at the market value at year end. Distributions received are reinvested unless paid out in cash and are recorded when received.

c) Deferred income tax on capital gains
The unrealised gains are subjected to tax and disclosed as deferred tax in the balance sheet (notes 3 and 4).

2. INCOME TAX

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prima facie tax</td>
<td>14,041</td>
<td>(8,737)</td>
</tr>
<tr>
<td>payable (credit) at 30% of operating profit (loss)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tax effect of:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deferred tax on unrealised gains</td>
<td>5,307</td>
<td>(5,442)</td>
</tr>
<tr>
<td>Income not taxable</td>
<td>(13,248)</td>
<td>(145)</td>
</tr>
<tr>
<td>Expenses not deductible</td>
<td>9,824</td>
<td>6,625</td>
</tr>
<tr>
<td>Franking and foreign tax credits received</td>
<td>(2,108)</td>
<td>(2,223)</td>
</tr>
<tr>
<td>Tax deferred and tax free distributions received</td>
<td>(1)</td>
<td>(329)</td>
</tr>
<tr>
<td>Unrealised gains and losses</td>
<td>(5,275)</td>
<td>5,465</td>
</tr>
<tr>
<td>Income Tax Expense</td>
<td>8,540</td>
<td>(4,786)</td>
</tr>
</tbody>
</table>

3. INVESTMENT IN EQUITIES

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>At Market Value</td>
<td>55,295</td>
<td>43,004</td>
</tr>
<tr>
<td>At Cost</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Unrealised gain is on BHP Billiton Limited (2,130 shares) and South 32 Limited (2,130 shares). The deferred capital gains tax liability of $16,589 (2016 - $18,429) has been recognised.

4. INVESTMENTS IN MANAGED FUNDS

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggregate Market Value</td>
<td>204,602</td>
<td>190,146</td>
</tr>
<tr>
<td>UBS - Small Companies (27,540 units)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Australian Share Fund (75,528 units)</td>
<td>204,602</td>
<td>190,146</td>
</tr>
</tbody>
</table>

The deferred capital gains tax liability of $4,337 (2016 - $(1,178)) has been recognised.

5. RELATED PARTIES

The members of the Committee receive no remuneration.
AUDITORS REPORT TO THE MEMBERS OF THE OLD SYDNEYANS’ UNION (A.B.N. 83 000 207 438)

SCOPE
I have audited the financial report of the Old Sydneyans’ Union as set out on pages 4 to 8.

The Union’s office-bearers are responsible for the preparation and presentation of this financial report. I have conducted an independent audit of it in order to express an opinion to the members of the Union.

My audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial statements are free of material misstatement. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with the Accounting Standards and statutory requirements in Australia so as to present a view which is consistent with my understanding of the Union’s financial position and the results of its operations.

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

QUALIFICATION
As is common for organisations of this type, it is not practicable for the Old Sydneyans’ Union to maintain an effective system of internal control over reunions, functions and sale of goods until their entry in the accounting records. Accordingly my audit in relation to income was limited to the amounts recorded.

OPINION
In my opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the limitation discussed in the qualification paragraph not existed, the financial report of the Old Sydneyans’ Union is in accordance with:

a) the Corporations Act 2001 including:
   i. giving a true and fair view of the Company’s financial position as at 30 June, 2017 and of its performance for the year ended on that date; and
   ii. complying with Accounting Standards and the Corporations Regulations; and
b) other mandatory professional reporting requirements.

Maurice A Fenton
Registered Company Auditor Number 2282
Dated this 2nd day of November 2017

AUDITOR’S INDEPENDENCE DECLARATION

As auditor of the Old Sydneyans’ Union for the year ended 30 June 2017, I declare that to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
(b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is made in respect of the Old Sydneyans’ Union.

Maurice A Fenton
Registered Company Auditor Number 2282
Dated this 2nd day of November 2017