



GRZIC PARTNERS

Accountants, Taxation & Business Advisors

LIONS CLUBS DISTRICT 201N5 INC.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

We have audited the accompanying financial report, being a special purpose financial report of LIONS CLUBS DISTRICT 201N5 INCORPORATED which comprises the Balance Sheet as at 30th June 2013 and two separate Profit and Loss Statements for the year then ended as well as a summary of significant accounting policies, other explanatory notes and a statement by the 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 reports and has determined that the accounting policies described herewith, which form part of the financial report, are consistent with the financial reporting requirements of the Associations Incorporation Act 2009 (NSW) and are appropriate to meet the needs of the members. The Committee's responsibilities also include designing, implementing and maintaining internal control procedures relevant to the preparation and fair presentation of the financial reports that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making estimates that are reasonable in the circumstances.

AUDITOR'S RESPONSIBILITY:

Our responsibility is to express an opinion on the financial report on our audit. No opinion is expressed as to whether the accounting policies used, as described in the accompanying notes, 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. An audit involves performing procedures to obtain audit evidence about the 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 auditor considers 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 committee, as well as evaluating the overall presentation of the financial report.

GIVING YOUR BUSINESS DIRECTION

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The financial report has been prepared for distribution to members for the purpose of fulfilling the committee's financial reporting obligations under the Associations Incorporation Act 2009 (NSW). 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 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.

AUDIT QUALIFICATIONS:

Due to the nature of income received, it is impossible to ensure that all income is accounted for prior to its receipt and recording in the books of account. In addition, whilst all expenditure was not verified by relevant documentation, we are satisfied that there is sufficient internal control over payments, particularly by the District Cabinet ratifying the expenditure and two signatories required on each cheque drawn.

AUDITOR'S OPINION:

In our opinion, subject to the qualifications noted above, the financial report presents fairly, in accordance with the accounting policies described in the accompanying notes to the financial statements, the financial position of LIONS CLUB DISTRICT 201N5 INC as at 30th June 2013 and the results of its operations for the year then ended.

Furthermore, as required by the Charitable Fundraising Act 1991 and the regulations under the Act, we report that in our opinion, the financial report presents fairly the financial result of fundraising appeals, that the accounts and accounting records have been kept in accordance with the legislation and that subject to the qualification notes above, money received as a result of fundraising appeals has been properly accounted for.



Milan Grzic BA acc. CPA
Grzic Partners
11 October 2013

LIONS CLUBS DISTRICT 201N5 INC.

STATEMENT BY MEMBERS OF THE COMMITTEE (DISTRICT CABINET)

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

In the opinion of the Committee:-

1. The Balance Sheet, two (2) separate Profit and Loss Statements and the Notes thereto, present fairly the financial position of LIONS CLUBS DISTRICT 201N5 INC. as at 30th 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 Association will be able to pay its debts as and when they fall due.

3. The provision of the Charitable Fundraising Act 1991 and the regulations under the Act and the conditions attached to the authority have been complied with.

4. The internal controls exercised by the Association are appropriate and effective in accounting for all income received.

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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District Governor 2012-2013 Greg Dunn

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District Governor 2013-2014 Warren Latham



Financial Statements 2012 - 2013

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**Lions Clubs International District 201N5 - Administration Account
Profit and Loss - Year to Date as at 30th June 2013 for year 2012-2013
DETAILED INCOME/EXPENDITURE BY CATEGORY**

	2011-12		2012-13	
	Income	Expenditure	Income	Expenditure
MD Mandatory Dues (NOTE 1)				
MD Insurance Fidelity Bonding	818.40	847.00	1,540.00	1,595.00
MD Insurance General Property	823.20	847.00	1,155.00	1,188.00
MD Insurance Directors & Officers Indemnity			4,872.00	4,911.00
MD Insurance Personal Accident Lions			15,184.40	15,305.95
MD International Presidents Promo Fund	5,975.83	6,192.78	5,895.12	5,942.31
MD Leo Fund	1,415.96	1,415.98	0.00	0.00
MD Membership Dues	51,131.20	52,874.20	48,103.45	47,787.17
MD Public Relations & Info Fund	4,181.03	4,316.18	4,108.72	4,141.61
TOTAL MD Mandatory Dues	64,345.62	66,493.14	80,858.69	80,871.04
MD Directories	2,437.53	2,574.99	3,122.21	2,839.60
District Dues - ByLaws Allocations (excl Training)				
District Dues Bulletin Fund (2.9)	1,690.00	1,000.00	1,613.00	0.00
District Dues Convention Fund (2.8) plus Income	2,535.00	4,312.15	6,717.42	8,217.10
District Dues New Club Regalia Fund (2.10)	845.00	0.00	806.00	
TOTAL District Dues ByLaws Allocations	5,070.00	5,312.15	9,136.42	8,217.10
District Changeover				
District Changeover Awards		1,751.50		719.13
District Changeover (Total)	10,517.00	12,057.50	8,219.30	5,423.09
TOTAL District Changeover	10,517.00	13,809.00	8,219.30	6,142.22
District International Presidents visit	0.00	0.00	2,004.00	16,584.03
Donations/Sale of Merchandise/Sundry Income	0.00	0.00	497.50	
District Training				
District Dues as per ByLaws allocation (2.11)	8,450.00		8,065.00	
Incoming Club Officers Training (NOTE 2)	970.00	1,373.80	76.00	9,307.49
Training Cab Officers/GMT/GLT (NOTE 3)	261.55	55.19	6,729.87	18,958.49
TOTAL Training	9,681.55	1,428.99	14,870.87	28,265.98
District Cabinet and general				
District Dues per Member	33,920.95		27,911.80	
Interest Received	1,489.15		2,363.58	
Invocare Sponsorship	300.00		0.00	
Audit Fees		1,650.00		0.00
Club Closure Costs		28.50		0.00
Club Dev / Charter Fees		501.47		862.34
Computer Expenses		1,368.76		1,702.45

**Lions Clubs International District 201N5 - Administration Account
Profit and Loss - Year to Date as at 30th June 2013 for year 2012-2013
DETAILED INCOME/EXPENDITURE BY CATEGORY**

	2011-12		2012-13	
	Income	Expenditure	Income	Expenditure
LCI Magazine Subscription		50.96		53.76
Lodgement Fees		27.00		145.00
Miscellaneous (incl Trailer)		239.66		1,200.52
Postage		178.25		1,202.52
Stationary (NOTE 4)		527.35		2,739.14
Telephone		303.60		330.70
Dist Cab Exp Bannerettes		4,934.60		2,466.25
Dist Cab Exps DG Elect (ByLaw 16.7/7.4/7.5)		1,200.00		3,874.00
Dist Cab Exp DG Travel		1,200.00		0.00
Dist Cab Exp DGE MD Convention & Council		0.00		2,141.00
Dist Cab Exp DG Travel N5 Conventions		2,234.00		0.00
Dist Cab Exp DG Travel MD Council Meetings		1,480.43		0.00
Dist Cab Exps 2ndVP MD Convention		0.00		881.00
Dist Cab Exp DG Travel MD Conventions		1,182.40		0.00
Dist Cab Exp Cab Sec MD Convention		1,558.00		0.00
Dist Cab Exp Cab Sec Designate MD Convention		0.00		610.00
Dist Cab Exp Officers Badges		1,603.60		243.70
Dist Cab Exp Officers Shirts	1,820.00	2,145.00	0.00	0.00
Dist Cab Meetings		4,730.00		1,415.00
TOTAL District Cabinet and general	37,530.10	27,143.58	30,275.38	19,867.38
TOTAL Administration Account	129,581.80	116,761.85	148,984.37	162,787.35
Surplus or (Deficit) (NOTE 5)		12,819.95		-13,802.98

**Lions Clubs International District 201N5 - Administration Account
Profit and Loss - Year to Date as at 30th June 2013 for year 2012-2013
Notes as referred to in Profit and Loss Statement**

1. For the Year 2011-2012 a one off reduction (approx 50%) was made to the premiums for Fidelity Bonding and General Property Insurance.

As from 1st July 2012 MD advised that Insurance for Director's & Officers Indemity and Personal Accidnet Insurance for Lions was to be paid from the Administration Account. As Leo's is an Activity the Insurance Premiums are now paid from the Activities Account

2. The Expense shown for Club Officers Training covers the years 2011-2012 & 2012-2013 due to the timing of the training.

2011-2012	\$ 5,520.00
2012-2013	\$ 3,787.49

3. The Cabinet Officers Training for the year 2011-2012 was held in late June resulting in the net costs appearing in the current year's accounts.

2011-2012	\$ 3,349.67	(Cab Officers Training)
2012-2013	\$ 5,609.00	(Cab Officers Training)
2012-2013	\$ 3,269.95	(GMT/GLT & General materials)

4. The increase in Stationery Costs is due to the DG's New Year Letter and increased communications provided by the Cabinet Secretary.

5. The variation in the Profit/Loss from 2011-2012 to 2012-2013 (total variation of \$26,622.93 negative) is due to the following key components:

Abnormal Items:

International President's Visit	\$14,580.03	(loss)
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Additional Training:

Global Training Materials & Training	\$3,269.95	(loss)
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Cabinet Officers Training:

Mittagong costs for the year 2011-2012 accounted in 2012-2013	\$3,349.67	(loss)
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Incoming Club Officers Training:

Costs for year 2011-2012 paid in 2012-2013	\$5,520.00	(loss)
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Reduced Changeover Net Costs:

2011-2012	(Loss)	\$1,540.50	
2012-2013	(Profit)	\$2,796.21	
Movement		\$4,336.71	\$4,336.71 (gain)

\$22,382.94 (loss)

**Lions Clubs International District 201N5 - Administration Account
Balance Sheet as at 30th June 2013**

INCOME	As at 30th June 2012	As at 30th June 2013
ASSETS:		
<i>Current Assets:</i>		
Administration Account Cheque Account	17,680.16	11,579.04
Administration Cash Management Account	80,736.69	73,004.22
Total Current Assets	98,416.85	84,583.26
LIABILITIES:		
<i>Current Liabilities:</i>		
NET ASSETS:		
	98,416.85	84,583.26
EQUITY		
Admin. Account Retained Earnings at beginning of Year	85,596.90	98,416.85
Admin. Account Profit/ (loss) for the year	12,819.95	-13,833.59
Admin. Account Retained Earnings at end of Year	98,416.85	84,583.26
TOTAL MEMBERS FUNDS	98,416.85	84,583.26

Breakdown - Administration Account Retained Earnings	Balance from 01/07/12	Movement 01/07/12 to 30/06/13	Balance as at 30/06/13
District Convention Fund (By-Law 2.8)	3,357.85	-1,499.68	1,858.17
District Bulletin Fund (By-Law 2.9)	4,113.00	1,613.00	5,726.00
New Club Regalia Fund (By-Law 2.10)	2,557.00		2,557.00
Training Fund (By-Law 2.11)	25,371.56	-13,395.11	11,976.45
General Reserve (other operating costs)	63,017.44	-551.80	62,465.64
Admin. Account Retained Earnings at end of Year	98,416.85	-13,833.59	84,583.26

Lions International District 201N5 - Activities Account
Profit and Loss - Year to Date as at 30th June 2013 for year 2012-2013

DETAILED INCOME/EXPENDITURE BY CATEGORY

	2011-12		2012-13	
	Income	Expenditure	Income	Expenditure
MD Mandatory Dues				
MD Insurance Workers Comp	681.60	682.40	660.40	654.80
MD Insurance Directors & Officers Indemnity	3,753.60	3,753.20	0.00	0.00
MD Insurance Excess Public Liability (NOTE 1)	1,878.30	1,876.60	3,632.80	3,601.40
MD Insurance Loss of Cash	908.00	902.00	880.00	891.00
MD Insurance Personal Accident (NOTE 1)	15,075.80	14,060.20	2,141.15	2,141.15
MD Leo Fund	0.00	0.00	1,369.70	1,358.71
MD Lioness Program (NOTE 1)	495.00	495.00	759.00	759.00
MD Youth Exchange Program	938.45	938.30	908.00	900.35
MD YOTY Fund (NOTE 4)	0.00	0.00	4,127.50	4,092.50
TOTAL MD Mandatory Dues	23,730.75	22,707.70	14,478.55	14,398.91
MD Voluntary Dues				
MD Prostate Cancer Awareness	0.00	0.00	2,162.50	2,162.50
MD Projects and Activities	1,760.65	1,760.65	1,265.00	1,265.00
MD PNG and East Timor Project	520.00	520.00	593.00	593.00
MD ALF	2,810.00	2,810.00	1,307.00	1,307.00
TOTAL MD Voluntary Dues	5,090.65	5,090.65	5,327.50	5,327.50
District Voluntary Dues				
DG's Activity Account	5,025.00		2,700.00	
District YOTY	5,280.00	6,305.19	4,680.00	5,076.83
TOTAL District Voluntary Dues	10,305.00	6,305.19	7,380.00	5,076.83
Other Income/ Expenditure				
Leo's Activities (NOTE 3)			0.00	6,502.34
Christmas Cake Refund	6,238.29		5,721.55	
Peace Posters	590.00	628.00	560.00	568.00
Appeals Flood 2012 - ALF Bushfire 2013	13,457.75	13,457.75	65,293.70	65,293.70
LCIF Grants Received on Behalf of Clubs	48,985.00	48,985.00	61,129.92	61,129.92
General Donations Received	0.00		9,606.71	
Donations disbursed (NOTE 2)		22,000.00	0.00	12,503.00
Credit Card Receipts/ Disbursements	0.00	0.00	103,284.38	103,284.38
TOTAL Other Income/ Expenditure	69,271.04	85,070.75	245,596.26	249,281.34
Administration and general				
Audit Fees		1,650.00		0.00
Bank Charges		0.00		0.00
Credit Card Merchant Fees		852.00		617.00
Stationery Costs		12.00		0.00
Interest	1,017.44		1,838.14	
Youth Exchange		0.00		2,015.80
TOTAL Administration and General	1,017.44	2,514.00	1,838.14	2,632.80
TOTAL Activities Account	109,414.88	121,688.29	274,620.45	276,717.38
Surplus or (Deficit)		-12,273.41		-2,096.93

**Lions International District 201N5 - Activities Account
Profit and Loss - Year to Date as at 30th June 2013 for year 2012-2013
Notes as referred to in Profit and Loss Statement**

1. Directors and Officers Indemnity now classed as an Administration cost as per instructions from MD.

Excess Public Liability Insurance had a one off 50% (approx) reduction in 2011-2012

Personal Accident Insurance for Lions Members is now treated as an Administration cost and only Leo Personal Accident Insurance is treated as an Activities cost.

MD Leo Fund introduced for the year 2012-2013

MD Youth of the Year Fund introduced for the year 2012-2013

2. Donations Received and disbursed:

	Received	Disbursed
Can Assist	\$2,452.71	\$2,452.71
Cystic Fibrosis	\$5,650.00	\$5,650.00
Starfire Ministries	\$1,504.00	\$1,504.00
Beecroft Art Show		\$396.29
Australian Lions Foundation		\$750.00
Australian Lions Childhood Cancer Research Foundation		\$750.00
Lions NSW/ACT Save Sight & Health Care Ltd		\$1,000.00
	\$9,606.71	\$12,503.00

3. Leo Activities:

Refund to Lions Club of Hornsby for Outward Bound	\$1,000.00
Refund to Lions Club of Baulkham Hills for Outward Bound	\$1,000.00
Travel Costs to Norfolk Island for new Leo Club	\$2,002.34
Subsidy for travel to Hamburg for Leo Ellen Watts	\$2,500.00
	\$6,502.34

**Lions Clubs International District 201N5 - Activities Account
Balance Sheet as at 30th June 2013**

INCOME	As at 30th June 2012	As at 30th June 2013
ASSETS:		
Current Assets:		
Activities Account Cheque Account	24,169.32	20,764.29
Activities Cash Management Account	41,890.21	43,066.99
Total Current Assets	66,059.53	63,831.28
LIABILITIES:		
Current Liabilities:		
Sundry Creditors	0.00	0.00
NET ASSETS:	66,059.53	63,831.28
EQUITY		
Activities Account Retained Earnings at beginning of Year	78,332.94	66,059.53
Activities Account Profit/ (loss) for the year	-12,273.41	-2,228.25
Activities Account Retained Earnings at end of Year	66,059.53	63,831.28
TOTAL MEMBERS' FUNDS	66,059.53	63,831.28