

Lions Clubs NSW-ACT Save Sight & Health Care Limited

ABN: 25 001 232 659

As Trustee For:

Lions NSW-ACT Save Sight Foundation - ABN: 57 536 782 464

and

Lions Clubs NSW-ACT Public Health Care Foundation - ABN: 75 575 730 056



Patron: **Her Excellency Professor Marie Bashir AC, Governor of New South Wales**

Honorary Secretary: PDG Lion Ruth Small

PO Box 75 Canley Heights NSW 2166 Australia

NOTICE OF ANNUAL GENERAL MEETING FOR 2009

**Notice is hereby given that the thirty third Annual General Meeting of members of Lions Clubs NSW-ACT Save Sight and Health Care Limited will be held on
Saturday 2 May 2009
at the Melbourne Convention & Exhibition Centre
commencing at 7.15 am**

BUSINESS

1. To receive and consider the Financial Statements and the Annual Report of the Directors and of the Auditors for the year ended 31 December 2008.
2. To appoint Auditors for the year ended 31 December 2009 and to fix their remuneration.
3. To receive the annual report of the Secretary on the general review of the work of the Foundations during the year ended 31 December 2008.
4. To transact any other business that may be brought before the meeting in accordance with the company's constitution.

By order of the Board

PDG Lion Ruth Small
Honorary Secretary

3 April 2009

Note: A member (which includes a Lions Club in any of Districts 201N1, 201N2, 201N3, 201N4 and 201N5) who is entitled to attend and vote is entitled to appoint a proxy to vote in their stead. A proxy need not be a member of the company.

LIONS CLUBS NSW-ACT SAVE SIGHT AND
HEALTH CARE LIMITED

ABN 25 001 232 659

ANNUAL REPORT

FOR THE

FINANCIAL YEAR ENDED 31 DECEMBER 2008

The financial report was authorised for issue by the Directors on 22 March 2009. The company has the power to amend and reissue the financial report.

LIONS CLUBS NSW-ACT SAVE SIGHT & HEALTH CARE LIMITED

DIRECTORS' REPORT

FINANCIAL YEAR ENDED 31 DECEMBER 2008

The directors submit their report with respect to the company for the financial year.

Directors

The names of the directors in office during the year and at the date of this report are as follows:

| | | | |
|------------------------|------------------------|-----------------------|----------------------|
| G. Cross (retired) | M. Merrick (appointed) | B. McWhirter | P. Bower |
| J. Villella (retired) | C. Elford | P. Lawler (appointed) | O. Quinn |
| N. Latta (retired) | J. Field (Chairman) | K. McLeish | A. Ryan (appointed) |
| M. Boulton | M. Holmes | R. Buckley (retired) | R. Moore (appointed) |
| R. Leonard | M. Bentley | C. Alderson (retired) | K. Williams |
| E. Munzone (appointed) | S. Chu | R. Price | J-C. Legrand |
| N. Bennett (retired) | S. Hyett (retired) | J. Hodgins | |

All directors are volunteers and have been associated with community service groups for a number of years.

No director has received or has become entitled to receive, during or since the financial year, a benefit because of a contract made by the company with a director, a firm which a director is a member or an entity in which a director has a substantial financial interest.

A schedule of directors' meetings and the attendance by individual directors follows this report.

Honorary Officers

At all times during the year and at the date of this report, the Honorary Officers were:

R Small, Honorary Secretary; S.J. Treble, Honorary Treasurer; D Tuckerman OAM, Honorary Solicitor.

Principal Activity

The principal activity of the company in the course of the financial year was acting as trustee for two charitable trusts involved in fund raising for sight and health research and education.

The company is the trustee of the Lions N.S.W.-A.C.T. Save Sight Foundation Charitable Trust and the Lions Clubs N.S.W.-A.C.T. Public Health Care Foundation. (Any future reference in this report to "the Foundations" signifies "the Lions N.S.W.-A.C.T. Save Sight Foundation Charitable Trust" and "the Lions Clubs N.S.W.-A.C.T. Public Health Care Foundation" together.)

The company's only operation was to act as trustee of the Foundations. It did not receive a fee for this activity.

There was no significant change in the nature of this activity during the year.

Review and Results of Operations

The company continued to engage in its principal activity during the financial year.

The net amount of the profit of the company for the financial year after provision for income tax was \$Nil.

LIONS CLUBS NSW-ACT SAVE SIGHT & HEALTH CARE LIMITED

DIRECTORS' REPORT (continued)

FINANCIAL YEAR ENDED 31 DECEMBER 2008

Dividends

The company is a company limited by guarantee, and is prohibited from making distributions to members.

State of Affairs

No significant changes in the state of affairs of the company occurred during the financial year.

Events Subsequent to Balance Date

No matters or circumstances have arisen since the end of the financial year which has significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in subsequent financial years.

Future Developments

The company expects to continue to pursue its principal activities. It is not expected that the results in future years will be adversely affected by the continuation of these operations.

Environmental Regulations

The company's operations are not subject to any significant environmental regulations under Australian Law.

Indemnifying and Insurance of Officers or Auditor

Since the end of the previous financial year, the company has not indemnified or made a relevant agreement for indemnifying against a liability any person who is or has been an auditor of the company.

During and since the end of the financial year the company (as trustee of the Foundations) has paid premiums in respect of a directors and officers liability insurance contract for the years ended 21 December 2008 and 21 December 2009 respectively. Such insurance contracts insure against certain liability (subject to specific exclusions) persons who are or have been directors, or honorary officers of the company.

The directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the directors' and officers' liability insurance contracts, as such disclosure is prohibited under the terms of the contract.

Auditors' Independence Declaration

A copy of the Auditor's Independence Declaration as required under Section 307C of the Corporations Act 2001 given to the Directors by the lead auditor for the audit undertaken by HLB Mann Judd is included on page 6.

Signed in accordance with a resolution of the directors.

J. Field
Director

Sydney
22 March 2009

LIONS CLUBS NSW-ACT SAVE SIGHT & HEALTH CARE LIMITED

SCHEDULE OF DIRECTORS' MEETINGS AND ATTENDANCE

FINANCIAL YEAR ENDED 31 DECEMBER 2008

| | | Meeting held on 16/03/08 | Meeting held on 24/08/08 | Meeting held on 23/11/08 |
|-----------------|--------------------------|---|---|---|
| Director | | | | |
| 201N1 | IPDG Gerard Cross* | L | | |
| | DG Malcom Merrick* | | Y | Y |
| | PDG Nick Bennett | Y | Y | Y |
| | PDG Brian McWhirter | Y | Y | Y |
| | PDG Phil Bower | Y | Y | Y |
| 201N2 | IPDG Joe Villella* | Y | | |
| | DG Phil Lawler* | | Y | Y |
| | Lion Syd Hyett | Y | Y | Y |
| | Lion Jim Field | Y | Y | Y |
| | Lion Owen Quinn | Y | Y | Y |
| 201N3 | IPDG Neville Latta* | Y | | |
| | DG Ann Ryan* | | Y | Y |
| | PDG Jim Hodgins | Y | Y | Y |
| | Lion Mick Boulton | Y | Y | Y |
| | Lion Max Holmes | Y | Y | Y |
| 201N4 | IPDG Bob Buckley* | Y | | |
| | DG Bob Moore* | | Y | Y |
| | PDG Kerry Williams | Y | Y | Y |
| | Lion Richard Leonard | Y | Y | Y |
| | Lion Michelle Bentley | Y | Y | Y |
| 201N5 | IPDG Carol Alderson* | L | | |
| | DG Elvio Munzone* | | Y | Y |
| | Lion Jean-Claude Legrand | Y | Y | Y |
| | Lion Sam Chu | Y | Y | L |
| | Lion Bob Price | Y | Y | Y |

* Denotes that the director was a director only for those meetings specified.

L Denotes that the director apologised in advance and was granted leave of absence for that meeting.

O Denotes that the director was not a director at this time but attended in the capacity of an observer.

**AUDITOR'S INDEPENDENCE DECLARATION
LIONS CLUBS NSW-ACT SAVE SIGHT AND HEALTH CARE LIMITED
ABN 25 001 232 659**

AUDITOR'S INDEPENDENCE DECLARATION

**To the Directors of Lions Clubs NSW-ACT Save Sight and Health Care Limited
for the year ended 31 December 2008**

As lead auditor for the audit of Lions Clubs NSW-ACT Save Sight and Health Care Limited for the year ended 31 December 2008, 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.

A G Smith
Partner

Sydney
Date

LIONS CLUBS NSW-ACT SAVE SIGHT & HEALTH CARE LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2008

| | Note | 2008 \$ | 2007 \$ |
|----------------------------------|------|------------|------------|
| CURRENT ASSETS | | | |
| Receivables | | - | - |
| Total Current Assets | | - | - |
| Total Assets | | - | - |
| CURRENT LIABILITIES | | | |
| Payables | | - | - |
| Total Current Liabilities | | - | - |
| Total Liabilities | | - | - |
| Net Assets | | - | - |

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2008**

The company did not trade on its own behalf during the year or during the previous year and there were no transactions, transfers, provisions or other matters which are required to be recorded in the Income Statement in accordance with the *Corporations Act 2001*.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2008**

The company did not trade on its own behalf during the year or during the previous year and there were no transactions, transfers, provisions or other matters which are required to be recorded in the statement of statement of changes in equity in accordance with the *Corporations Act 2001*.

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2008**

The company did not trade on its own behalf during the year or during the previous year and there were no transactions, transfers, provisions or other matters which are required to be recorded in the statement of cash flows in accordance with the *Corporations Act 2001*.

The above balance sheet, income statement, statement of changes in equity and cash flow statement should be read in conjunction with the accompanying notes.

LIONS CLUBS NSW-ACT SAVE SIGHT & HEALTH CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2008

1. STATEMENT OF ACCOUNTING METHODS

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all years presented, unless otherwise stated. They apply equally to the financial reports of the company and each of the Foundations of which it is trustee (Lions NSW-ACT Save Sight Foundation Charitable Trust and Lions Clubs NSW-ACT Public Health Care Foundation).

a. Basis of preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, and the Corporations Act 2001. International Financial Reporting Standards ("IFRS") from the basis of Australian Accounting Standards adopted by the AASB, being the Australian Equivalent to IFRS ("AIFRS"). The statement of Compliance with AIFRS cannot be made as the company and each of the foundations of which it is a trustee applying the not-for-profit requirements of AIFRS.

Compliance with IFRSs

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards. Compliance with AIFRS ensures that the financial statements and notes of Lions Clubs NSW-ACT Save Sight & Health Care Limited comply with International Financial Reporting Standards (IFRSs).

Historical cost convention

The financial report is prepared in accordance with the historical cost convention, except for certain assets which, as noted, are at valuation. Unless otherwise stated, the accounting policies adopted are consistent with those of the previous year.

b. Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, duties and taxes paid.

Interest Revenue

Interest revenue is recognised when it is received, as the difference between that method and the accrual method is not material.

Dividends and trust distributions

Dividend revenue and trust distributions are recognised when received. Refundable franking credits are recognised when the dividend to which they are attached is received.

Fundraising Appeals

The Foundations conduct two fundraising activities. The activities consist of (1) a major annual raffle and (2) sale of merchandise. For accounting purposes, the Lions NSW-ACT Save Sight Foundation Charitable Trust acts as 'sponsor' of the fundraising activities, which are conducted in association with the Lions Clubs NSW-ACT Public Health Care Foundation. A raffle that commenced in October 2008 and concluded in March 2009 ('the 2009 raffle') will be reported on in the financial statements for the year ended 31 December 2009. Unsold merchandise which was previously recorded at cost as an asset in the balance sheet of Lions NSW-ACT Save Sight Foundation Charitable Trust was written off at 31 December 2007. Prepaid expenses in relation to the 2009 raffle are recorded at the amount paid as an asset in the balance sheet of Lions NSW-ACT Save Sight Foundation Charitable Trust.

Money received because of the sale of raffle tickets prior to 31 December 2008 in relation to the 2009 raffle is recorded as a liability in the balance sheet of Lions NSW-ACT Save Sight Foundation Charitable Trust. Raffle tickets and merchandise are sold through Lions clubs that are members of the company. Lions clubs are independently deemed authority holders under the *Charitable Fundraising Act, 1991* and, as such, the company is not required to report on the activities undertaken by those holders.

Donations

Donations received by the company (as trustee for either of or both of the Foundations) are also normally from Lions clubs, which are independently deemed authority holders under the *Charitable Fundraising Act, 1991* and, as such, the company is not required to report on the activities undertaken by those holders.

LIONS CLUBS NSW-ACT SAVE SIGHT & HEALTH CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2008

1. STATEMENT OF ACCOUNTING METHODS (CONT'D)

c. Income Tax

Each Foundation is a non-profit organisation established for the provision of community services and accordingly is exempt from income tax under Item 1.1 of the regulations to Section 50-5 of the *Income Tax Assessment Act 1997*. Donations to the Foundations are deductible to the donor under Item 1, Section 30-15 of the *Income Tax Assessment Act 1997*.

d. Grants

Grants made by each Foundation during the year are accounted for on a cash basis when paid.

e. Acquisition of assets

The cost method of accounting is used to account for all acquisitions of assets regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the asset given or liabilities incurred or assumed at the date of exchange plus costs directly attributable to the acquisition.

f. Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell, and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Value in use is taken to be the depreciated replacement cost of the asset concerned.

g. Receivables

Receivables are recognised initially at fair value and their collectibility is subsequently reviewed on an ongoing basis. The carrying amount of the asset is reduced through the use of an allowance account within expenses in the income statement.

h. Payables

Trade and other payables represent liabilities for goods and services provided to the entities prior to the end of the financial year, and are unsecured.

i. Investments and other financial assets

The Group classifies its investments as financial assets at fair value through profit or loss.

Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date – the date on which the Foundations commits to purchase or sell the asset. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Foundations has transferred substantially all the risks and rewards of ownership.

The fair value of financial instruments included in active markets is based on quoted market prices at the balance sheet date. The quoted market price is the last available sale price, which is compared to the last bid price. Unless the difference is significant, no adjustment is made to the value of the investment.

Gains or losses arising from changes in the fair value of the "financial assets at fair value through profit or loss" category are presented in the income statement within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit and loss is recognised in the income statement as part of revenue from continuing operations when the Foundation's right to receive payments is established.

LIONS CLUBS NSW-ACT SAVE SIGHT & HEALTH CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2008

1. STATEMENT OF ACCOUNTING METHODS (CONT'D)

j. New Accounting Standards and Interpretations

The following standards, amendments to standards and interpretations have been identified as those which may impact the entities in the period of initial application. They are available for early adoption at 31 December 2008, but have not been applied in preparing this financial report.

Revised AASB 101 *Presentation of Financial Statements* introduces the term total comprehensive income, which represents changes in equity during a period other than those changes resulting from transactions with owners in their capacity as owners. Total comprehensive income may be presented in either a single statement of comprehensive income (effectively combining both the income statement and all non-owner changes in equity in a single statement) or, in an income statement and a separate statement of comprehensive income. Revised AASB 101, which becomes mandatory for the Foundation's 31 December 2009 financial statements, is not expected to have a significant impact on the presentation of the financial statements.

2. FOUNDATION ASSETS AND LIABILITIES

Under the terms of the trust deed the company, as trustee, has a right of indemnity out of the assets of the Foundations for any liabilities incurred on behalf of the Foundations. The Foundation assets which lie behind this right are not directly available to meet any liabilities which have arisen from the trustee acting in its own right. The assets of each of the Foundations were sufficient to discharge all the liabilities of the respective Foundation at the end of the financial year.

If the assets of each of the Foundations were not sufficient to discharge the liabilities of the respective Foundation in full it would be necessary for the company to recognise a provision to meet the shortfall in its own financial statements.

The liabilities incurred by the company on behalf of the Foundations as disclosed in the audited financial statements of the Foundations are summarised as follows:

| | 2008 | 2007 |
|---|----------------------|----------------------|
| | \$ | \$ |
| LIONS NSW-ACT SAVE SIGHT FOUNDATION CHARITABLE TRUST | | |
| CURRENT LIABILITIES | | |
| Payables | 11,950 | 15,562 |
| Other liabilities | 12,970 | - |
| Total current liabilities | <u>24,920</u> | <u>15,562</u> |
| Total liabilities | <u>24,920</u> | <u>15,562</u> |
| | | |
| LIONS CLUBS NSW-ACT PUBLIC HEALTH CARE FOUNDATION | | |
| CURRENT LIABILITIES | | |
| Payables | 6,000 | 6,000 |
| Total current liabilities | <u>6,000</u> | <u>6,000</u> |
| Total liabilities | <u>6,000</u> | <u>6,000</u> |

LIONS CLUBS NSW-ACT SAVE SIGHT & HEALTH CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2008

2. FOUNDATION ASSETS AND LIABILITIES (continued)

The assets of the Foundations available to meet the above liabilities as disclosed in the financial statements of the Foundations are summarised as follows:

| | 2008 | 2007 |
|--|------------------|------------------|
| | \$ | \$ |
| LIONS NSW-ACT SAVE SIGHT FOUNDATION CHARITABLE TRUST | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | 627,494 | 674,579 |
| Receivables | 38,001 | 63,519 |
| Other assets | 5,179 | 7,279 |
| Total current assets | 670,674 | 745,377 |
| NON-CURRENT ASSETS | | |
| Financial assets | 1,690,638 | 2,542,276 |
| Total non-current assets | 1,690,638 | 2,542,276 |
| Total assets | 2,361,312 | 3,287,653 |
| LIONS CLUBS NSW-ACT PUBLIC HEALTH CARE FOUNDATION | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | 648,518 | 708,352 |
| Receivables | 20,387 | 56,045 |
| Other assets | 687 | - |
| Total current assets | 669,592 | 764,397 |
| NON-CURRENT ASSETS | | |
| Financial assets | 1,646,248 | 2,522,035 |
| Total non-current assets | 1,646,248 | 2,522,035 |
| Total assets | 2,315,840 | 3,286,432 |

3. MEMBERS' LIABILITY

The company was incorporated on 29 November 1974 and is limited by guarantee.

The members of the company are the several Lions Clubs within the "N" districts of Multiple District 201 of the International Association of Lions Clubs.

Each member of the company undertakes to contribute to the assets of the company in the event of it being wound up while the Lions Club is a member or within one year after the Lions Club ceases to be a member for payment of the debts and liabilities of the company contracted before the Lions Club ceased to be a member and of the costs, charges and expenses of winding up and for an adjustment of the rights of the contributories amongst themselves, such amount as may be required not exceeding twenty dollars (\$20).

At 31 December 2008 there were 323 (2007 - 328) members and accordingly the amount of capital which is not capable of being called up except in the event of, and for the purpose of, the winding up of the company is \$6,460 (2007 - \$6,560) at that date.

LIONS CLUBS NSW-ACT SAVE SIGHT & HEALTH CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2008

4. DIRECTORS' REMUNERATION

(a) The names of the directors in office during the financial year were:

| | | | | |
|-------------|-------------|-----------|------------|-------------|
| G Cross* | J Villella* | N Latta* | R Buckley* | C Alderson* |
| M Merrick^ | P Lawler^ | A Ryan^ | R Moore^ | E Munzone^ |
| N Bennett | S Hyett | J Hodgins | K Williams | J-C Legrand |
| B McWhirter | J Field | M Boulton | R Leonard | S Chu |
| P Bower | O Quinn | M Holmes | M Bentley | R Price |

* Denotes director retired during the year

^ Denotes director appointed during the year

(b) Key management personnel are director or others responsible for planning, directing and controlling the activities of the company or the Foundations, directly or indirectly for the entire period. Key management personnel received no remuneration during the current or prior financial year.

5. AUDITORS' REMUNERATION

The Foundations pay remuneration to the company's auditors. Details are as follows -

| | 2008 | 2007 |
|--|---------------------|---------------------|
| | \$ | \$ |
| LIONS NSW-ACT SAVE SIGHT FOUNDATION CHARITABLE TRUST | | |
| Audit of the accounts | 7,500 | 7,000 |
| Other services | - | - |
| | <u>7,500</u> | <u>7,000</u> |
| LIONS CLUBS NSW-ACT PUBLIC HEALTH CARE FOUNDATION | | |
| Audit of the accounts | 7,500 | 7,000 |
| Other services | - | - |
| | <u>7,500</u> | <u>7,000</u> |

LIONS CLUBS NSW-ACT SAVE SIGHT & HEALTH CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2008

6. FINANCIAL INSTRUMENTS

(a) Financial Risk Management – objectives and policies

The Foundations' financial instruments comprise cash and cash equivalents and financial investments at fair value through profit & loss. In addition the Foundations have various financial assets and liabilities including amounts receivable and amounts payable to the Lions Clubs NSW-ACT Save Sight Foundation and Public Health Care Foundation and other creditors. The main risks arising from the Foundations' financial instruments are interest rate risk, and market price risk. The Company's policies for managing each of these risks are summarised below. The policies are subject to Board approval and are reviewed regularly.

Interest rate risk

The Foundations are exposed to interest rate fluctuations on their cash at bank and cash on deposit and on fixed interest securities included in their financial investments. The Company actively monitors interest rates for cash at bank and on debentures to maximise interest income. The Company accepts the risk in relation to fixed interest securities as they are held to generate income on surplus funds.

Market price risk

Market price risk is the risk that the Foundations' operations will be adversely affected by a significant adverse fluctuation on the value of its investments. The Board has approved risk and return parameters for investment in investments and receives reports from the Honorary Assistant Treasurer on a monthly basis regarding the performance of the investment portfolio.

(b) Credit Risk Exposures

The credit risk on financial assets of the Foundations which have been recognised on the balance sheets are generally the carrying amount of cash and cash equivalents, receivables and financial assets at fair value through profit or loss. The Foundations do not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Foundations.

Credit risk for the Foundations is associated with deposits with banks and a finance company. For banks and finance companies, only independently rated parties with a minimum rating of "AA" are accepted.

(c) Interest Rate Risk Exposures

Historically, the Foundations' exposure to interest rate risk arises predominantly from debentures, which attracts average interest rates as follows:

| Foundation | 2008 | 2007 |
|--|------|------|
| | % | % |
| Lions NSW-ACT Save Sight Foundation Charitable Trust | 5.95 | 6.29 |
| Lions Clubs NSW-ACT Public Health Care Foundation | 5.95 | 6.58 |

(d) Foreign Exchange Risk Exposure

The Foundations have no significant exposure to foreign exchange risks as all purchases are settled using Australian dollars. Sales are predominantly made in Australian dollars.

LIONS CLUBS NSW-ACT SAVE SIGHT & HEALTH CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2008

6. FINANCIAL INSTRUMENTS (continued)

(e) Market Risk

The Foundations are exposed to equity securities price risk. This arises from investments held by the entities and classified on the balance sheet as financial assets at fair value through profit and loss. The majority of the Foundations' equity investments are publicly traded and are included in the ASX 200 index.

The table below summarises the impact of increases/decreases of this Index on the Foundations' income statements. The analysis is based on the assumption that the equity indexes had increased/decreased by 10% with all the other variables held constant and all the Foundations' financial instruments moving according to the historical correlation with the index.

Impact on Income Statement

| Index | 2008 | 2007 |
|-------------------------------------|--------|---------|
| | \$ | \$ |
| Lions Save Sight Foundation | 99,064 | 184,228 |
| Lions Public Health Care Foundation | 93,599 | 182,204 |

Investments would increase or decrease as a result of gains/losses through profit and loss on financial investments.

(f) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities. The directors of the company, as trustees of the Foundations, ensure that sufficient cash is maintained on an ongoing basis to enable the Foundations to pay their debts as and when they fall due.

(g) Net Fair Value of Financial Assets and Liabilities

The net fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities approximates their carrying value as determined in accordance with the accounting policies.

7. RELATED PARTY TRANSACTIONS

At balance date, \$82,162 was owed to Lions Clubs NSW-ACT Public Health Care Foundation by the Lions NSW-ACT Save Sight Foundation Charitable Trust (2007 - \$61,412). An amount of \$77,212 was owed by the Lions Club NSW-ACT Public Health Foundation to the Lions NSW-ACT Save Sight Foundation (2007: \$54,037). The company had no other related party in its own right or in its capacity as trustee.

8. COMMITMENTS

The Lions NSW-ACT Save Sight Foundation Charitable Trust, for which the company acts as trustee, accounts for grants to universities, public hospitals, public benevolent institutions and tax department approved organisations on a cash basis. At 31 December 2008 grants approved and unpaid amounted to \$10,343 (2007 - \$56,031).

The Lions Clubs N.S.W.-A.C.T. Public Health Care Foundation for which the company acted as trustee accounts for grants to universities, public hospitals, public benevolent institutions and tax department approved organisations on a cash basis. At 31 December 2008 grants approved and unpaid amounted to \$13,000 (2007 - \$95,560).

LIONS CLUBS NSW-ACT SAVE SIGHT & HEALTH CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2008

9. FUNDRAISING APPEALS

No fundraising activity is undertaken by the company, in its capacity as trustee for either of the Foundations, except for the following: (1) sale of merchandise and (2) a major raffle (See Note 12). The company has a current Authority To Fundraise issued by the NSW office of Liquor, Gaming & Racing (Charities Office) (CFN11290). Donations received by the company otherwise are normally from deemed authority holders under the Charitable Fundraising Act, 1991 and, as such, the company is not required to report on the activities undertaken by those holders.

10. INCOME TAX

Each Foundation is a non-profit organisation established for the provision of community services and accordingly income of the company in its capacity as trustee of the Foundations is exempt from income tax under Section 50-5 of the Income Tax Assessment Act, 1997.

Income of the company other than in its capacity as trustee for the Foundations is not exempt from Income Tax. Income of the Foundations is exempt from Income Tax under Item 1.1 of the regulations under the Income Tax Assessment Act 1997.

Donations to the company other than in its capacity as trustee of either of the Foundations are not deductible to the donor. As both Foundations have been registered as Deductible Gift Recipients (DGRs), donations to either of the Foundations are deductible to the donor under Item 1, Section 30-15 of the Income Tax Assessment Act 1997.

11. EVENTS SUBSEQUENT TO BALANCE DATE

Since 31 December 2008, the Australian share market has experienced a further decline in value. The investments in listed equities held by the Foundation have experienced a similar decline. As at 19 March 2009, the value of each Foundation's listed securities designated as fair value through profit or loss is as follows:

| | \$ |
|--|---------|
| Lions NSW-ACT Save Sight Foundation Charitable Trust | 910,857 |
| Lions Clubs NSW-ACT Public Health Care Foundation | 900,230 |

LIONS CLUBS NSW-ACT SAVE SIGHT & HEALTH CARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2008

12. CHARITABLE FUNDRAISING ACT 1991 DISCLOSURES

The company in its capacity as trustee of Lions N.S.W.-A.C.T. Save Sight Foundation Charitable Trust ("the Foundation") provides the following information in accordance with the *Charitable Fundraising Act 1991*:

| | 2008 | 2007 |
|---|----------------------|----------------------|
| | \$ | \$ |
| Fundraising income | | |
| Raffle income | 39,604 | 45,798 |
| Merchandise sales | 785 | 3,153 |
| | <u>40,389</u> | <u>48,951</u> |
| | | |
| Fundraising expenses | | |
| Raffle expenses | 28,171 | 28,520 |
| Merchandising expenses | - | - |
| | <u>28,171</u> | <u>28,520</u> |
| | | |
| Net surplus from fundraising appeals | 12,218 | 20,431 |
| | | |
| Applied as follows: | | |
| Rebated to deemed authority holders under the <i>Charitable Fundraising Act 1991</i> | 389 | 925 |
| Allocated to Lions Clubs N.S.W.-A.C.T. Public Health Care Foundation | 5,914 | 9,753 |
| Net surplus applied to the Lions N.S.W.-A.C.T. Save Sight Foundation Charitable Trust | 5,915 | 9,753 |
| | <u>12,218</u> | <u>20,431</u> |

- (i) A statement of significant accounting policies and methods is detailed in Note 1 to the financial statements of the company on pages 8 to 10.
- (ii) During the year the company did not experience any material matter or occurrence, including any of an adverse nature.
- (iii) Traders were not engaged in the conduct of the appeals.
- (iv) Fundraising appeals conducted and completed during the year consisted of the sale of specially manufactured merchandise and a raffle which was commenced in October 2007 and concluded in March 2008. The results of that raffle are reported above. A 'new' raffle commenced in October 2008 and concluded in March 2009. The results of that raffle will be reported in the financial statements for the financial year ending 31 December 2009.

| | 2008 | 2007 |
|-------------------------------|-------------|-------------|
| | \$ | \$ |
| Total costs of fundraising | 28,171 | 28,520 |
| Gross income from fundraising | 40,389 | 48,951 |
| As a percentage | 70% | 58% |
| | | |
| Net surplus from fundraising | 12,218 | 20,431 |
| Gross income from fundraising | 40,389 | 48,951 |
| As a percentage | 30% | 42% |

The Foundation does not provide direct services in accordance with its charitable purpose. Grants are paid out of accumulated funds to recipients deemed to meet criteria that are established in accordance with the charitable purpose of the Foundation. Refer to Statement of Changes in Equity of the Foundation's financial statements on Page 25 for details of grants paid.

LIONS CLUBS NSW-ACT SAVE SIGHT & HEALTH CARE LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008
DIRECTORS' DECLARATION

In the directors' opinion:

- (a) the financial statements and notes set out on pages 7 to 16 are in accordance with the Corporations Act 2001, including:
 - (i) complying with Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
 - (ii) giving a true and fair view of the company's financial position as at 31 December 2008 and of its performance for the financial year ended on that date; and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.

J. Field
Director

Sydney
22 March 2009

DECLARATION IN RELATION TO THE CHARITABLE FUNDRAISING ACT 1991

I, Jim Field, Director of Lions Clubs NSW-ACT Save Sight and Health Care Limited declare that in the opinion of the Directors:

- (a) the accounts give a true and fair view of all income and expenditure of the company with respect to fundraising appeals; and
- (b) the balance sheet gives a true and fair view of the state of affairs with respect to fundraising appeals; and
- (c) provisions of the *Charitable Fundraising Act 1991*, the Regulations under the *Act* and the conditions of the Authority have been complied with; and
- (d) internal controls exercised by the company are appropriate and effective in accounting for all income received and applied from any fundraising appeals.

J. Field
Director

Sydney
22 March 2009

**LIONS CLUBS NSW-ACT SAVE SIGHT AND HEALTH CARE LIMITED
ABN 25 001 232 659**

**TO THE MEMBERS OF LIONS NSW-ACT SAVE SIGHT AND HEALTH CARE LIMITED
INDEPENDENT AUDIT REPORT
FOR THE YEAR ENDED 31 DECEMBER 2008**

To the members of Lions Clubs NSW-ACT Save Sight and Health Care Limited:

We have audited the accompanying financial report of Lions Clubs NSW-ACT Save Sight and Health Care Limited, which comprises the balance sheet as at 31 December 2008, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration, as set out on pages 7 to 17.

Directors' Responsibility for the Financial Report

The directors of the company 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 Corporations Act 2001. This responsibility includes establishing and maintaining internal controls 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

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. 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 judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 directors, as well as evaluating the overall presentation of the financial report.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

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

LIONS CLUBS NSW-ACT SAVE SIGHT AND HEALTH CARE LIMITED

ABN 25 001 232 659

TO THE MEMBERS OF LIONS NSW-ACT SAVE SIGHT AND HEALTH CARE LIMITED

INDEPENDENT AUDIT REPORT

**FOR THE YEAR ENDED 31 DECEMBER 2008
(continued)**

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of Lions Clubs NSW-ACT Save Sight and Health Care Limited on xx xx would be in the same terms if provided to the directors as at the date of this auditor's report.

Auditor's Opinion

In our opinion:

- (a) the financial report of Lions Clubs NSW-ACT Save Sight and Health Care Limited is in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Company's financial position as at 31 December 2008 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
- (b) other mandatory financial reporting requirements in Australia; and
- (c) the financial statements and associated records have been properly kept during the financial year in accordance with the provisions of the Charitable Fundraising Act 1991 and the Regulations thereto; and
- (d) at the date of this statement there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

**HLB MANN JUDD
(NSW Partnership)
Chartered Accountants**

**Sydney
March 2009**

**A G Smith
Partner**

**LIONS CLUBS NSW-ACT SAVE SIGHT AND HEALTH CARE LIMITED
ABN 25 001 232 659**

INDEPENDENT AUDIT REPORT

**TO THE TRUSTEE OF LIONS NSW-ACT SAVE SIGHT FOUNDATION CHARITABLE TRUST
ABN 57 536 782 464**

FOR THE YEAR ENDED 31 DECEMBER 2008

To the trustee of Lions Clubs NSW-ACT Save Sight Foundation Charitable Trust:

We have audited the accompanying financial report of Lions Clubs NSW-ACT Public Health Care Foundation ("The Foundation"), which comprises the balance sheet as at 31 December 2008, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' (being the trustees) declaration, as set out on pages 22 to 30.

Directors' Responsibility for the Financial Report

The directors of Lions Club NSW-ACT Save Sight and Health Care Limited are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal controls 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

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. 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 judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 directors, as well as evaluating the overall presentation of the financial report.

Our audit did not involve an analysis of the prudence of business decisions made by directors of Lions Club NSW-ACT Save Sight and Health Care Limited or management.

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

**LIONS CLUBS NSW-ACT SAVE SIGHT AND HEALTH CARE LIMITED
ABN 25 001 232 659**

INDEPENDENT AUDIT REPORT

**TO THE TRUSTEE OF LIONS NSW-ACT SAVE SIGHT FOUNDATION CHARITABLE TRUST
ABN 57 536 782 464**

**FOR THE YEAR ENDED 31 DECEMBER 2008
(continued)**

Independence

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

Basis for Qualified Audit Opinion

It is not practicable for the Foundation to establish complete accounting control over all unsolicited income prior to its receipt at Headquarters. It is therefore not possible for our audit examination to include audit procedures to extend beyond recorded income and, accordingly, our audit of unsolicited income was limited to confirming that items recorded upon receipt have been banked.

Qualified Auditor's Opinion

In our opinion, except for the effects on the financial report of such adjustments, if any, as might have been required had the limitation on our audit procedures referred to in the qualification paragraph not existed.

- (a) the financial report presents fairly, in all material respects, the financial position of Lions NSW-ACT Save Sight Foundation Charitable Trust as at 31 December 2008, and its performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations); and
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

**HLB MANN JUDD
(NSW Partnership)
Chartered Accountants**

**Sydney
March 2009**

**A G Smith
Partner**

**LIONS CLUBS NSW-ACT SAVE SIGHT AND HEALTH CARE LIMITED
ABN 25 001 232 659**

**DIRECTORS OF LIONS CLUB NSW-ACT SAVE SIGHT AND HEALTH CARE LIMITED'S
DECLARATION**

FOR THE YEAR ENDED 31 DECEMBER 2008

In the directors of Lions Club NSW-ACT Save Sight and Health Care Limited's opinion the financial statements and notes set out on pages 23 to 30 present fairly the Foundation's financial position as at 31 December 2008 and its financial performance and its cash flows for the year ended on that date in accordance with Accounting Standards (including the Australian Accounting Interpretations).

This declaration is made in accordance with a resolution of directors of Lions Club NSW-ACT Save Sight and Health Care Limited.

Director

**Sydney
22 March 2009**

LIONS CLUBS NSW-ACT SAVE SIGHT & HEALTH CARE LIMITED
As Trustee For

LIONS N.S.W.-A.C.T SAVE SIGHT FOUNDATION CHARITABLE TRUST
ABN 57 536 782 464

INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2008

| | Note | 2008 \$ | 2007 \$ |
|---|------|------------------|----------------|
| INCOME | | | |
| Donations | | | |
| 100% Participating clubs | | 72,840 | 73,406 |
| Districts | | - | 200 |
| Bequests & other | | 3,256 | 4,230 |
| | | 76,096 | 77,836 |
| Interest received | | 76,489 | 70,261 |
| Dividends & unit trust distributions received | | 84,818 | 100,719 |
| Merchandise sales | 8(b) | 785 | 3,153 |
| Raffle ticket sales | 8(a) | 39,604 | 45,798 |
| Changes in net market value of equities | | - | 11,136 |
| | | 277,792 | 308,903 |
| COST OF SALES | | | |
| Merchandising expenses | 8(b) | - | - |
| | | (277,792) | 308,903 |
| GROSS PROFIT | | | |
| EXPENSES | | | |
| Auditors' remuneration | | 7,500 | 7,000 |
| Bank charges | | 239 | 0 |
| Cleaning / rubbish removal (secure shredding) | | 315 | 297 |
| Clerical expenses | | 3,850 | 4,332 |
| Computer expenses | | 221 | 624 |
| Donations | | - | 2,000 |
| General expenses | | - | 560 |
| Honour awards | | 1,670 | 3,720 |
| Insurance | | 871 | 871 |
| Inventory write off | | - | 21,413 |
| Meeting expenses | | 13,424 | 13,389 |
| Postage | | 79 | 626 |
| Printing & stationery | | 724 | 1,111 |
| Publicity & promotion | | 275 | - |
| Raffle expenses | 8(a) | 28,171 | 28,520 |
| Storage fees | | 746 | 746 |
| Telephone & fax | | 313 | 388 |
| Changes in net market value of equities | | 883,826 | - |
| | | 944,224 | 85,597 |
| Net Surplus | | (666,432) | 223,306 |

The above income statement should be read in conjunction with the accompanying notes.

LIONS CLUBS NSW-ACT SAVE SIGHT & HEALTH CARE LIMITED

As Trustee For

LIONS N.S.W.-A.C.T SAVE SIGHT FOUNDATION CHARITABLE TRUST

ABN 57 536 782 464

BALANCE SHEET

AT 31 DECEMBER 2008

| | Note | 2008 \$ | 2007 \$ |
|----------------------------------|------|------------------|------------------|
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 2 | 627,494 | 674,579 |
| Receivables | 3 | 38,001 | 63,519 |
| Other assets | 4 | 5,179 | 7,279 |
| Total current assets | | 670,674 | 745,377 |
| NON-CURRENT ASSETS | | | |
| Financial assets | 5 | 1,690,638 | 2,542,276 |
| Total non-current assets | | 1,690,638 | 2,542,276 |
| Total assets | | 2,361,312 | 3,287,653 |
| CURRENT LIABILITIES | | | |
| Payables | 6 | 11,950 | 15,562 |
| Other liabilities | 7 | 12,970 | - |
| Total current liabilities | | 24,920 | 15,562 |
| Total liabilities | | 24,920 | 15,562 |
| Net assets | | 2,336,392 | 3,272,091 |
| EQUITY | | | |
| Income Fund | | 176,026 | 294,488 |
| Capital Fund | | 2,160,366 | 2,977,603 |
| Total equity | | 2,336,392 | 3,272,091 |

The above balance sheet should be read in conjunction with the accompanying notes.

LIONS CLUBS NSW-ACT SAVE SIGHT & HEALTH CARE LIMITED
As Trustee For
LIONS N.S.W.-A.C.T SAVE SIGHT FOUNDATION CHARITABLE TRUST
ABN 57 536 782 464

STATEMENT OF CHANGES IN EQUITY

AT 31 DECEMBER 2008

| | 2008 | 2007 |
|---|------------------|------------------|
| | \$ | \$ |
| Total equity at the beginning of the financial year | 3,272,091 | 3,232,013 |
| Net surplus | (666,432) | 223,306 |
| | 2,605,659 | 3,455,319 |
| Less fundraising profits shared with other entities: | | |
| 25% raffle ticket sales rebated to clubs | 389 | 925 |
| ½ merchandise profit to Lions Clubs NSW-ACT Public Health Care Foundation | 392 | 1,576 |
| ½ raffle profit to Lions Clubs NSW-ACT Public Health Care Foundation | 5,522 | 8,177 |
| | 6,303 | 10,678 |
| | 2,599,356 | 3,444,641 |
| Less grants during the year | | |
| Royal Institute for Deaf & Blind Children | 5,081 | - |
| Save Sight Institute at University of Sydney | 83,969 | 72,550 |
| South East Sydney & Illawarra Area Health Service | | |
| - Lions Eye Bank at Sydney Eye Hospital | 102,914 | 100,000 |
| Sydney South West Area Health Service | 1,500 | - |
| Tamworth Base Hospital | 69,500 | - |
| | 262,964 | 172,550 |
| Total Grants Paid During The Year | 262,964 | 172,550 |
| Total equity at the end of the financial year | 2,336,392 | 3,272,091 |

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

LIONS CLUBS NSW-ACT SAVE SIGHT & HEALTH CARE LIMITED

As Trustee For

LIONS N.S.W.-A.C.T SAVE SIGHT FOUNDATION CHARITABLE TRUST

ABN 57 536 782 464

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2008**

| | Note | 2008 \$ | 2007 \$ |
|--|------|-------------------------|-------------------------|
| Cash flows from operating activities | | | |
| Donations from clubs, etc | | 76,096 | 77,836 |
| Dividends & unit trust distributions received | | 84,818 | 100,719 |
| Fundraising income received | 8 | 40,389 | 48,951 |
| Interest received | | 76,489 | 70,261 |
| Payments to suppliers | | <u>(21,423)</u> | <u>(57,790)</u> |
| Net cash provided by operating activities | 9(b) | <u>256,369</u> | <u>239,977</u> |
| Cash flows from investing activities | | | |
| Payments for investments | | (34,187) | - |
| Proceeds from capital return from investments | | <u>-</u> | <u>58,670</u> |
| Net cash (used in) investing activities | | <u>(34,187)</u> | <u>58,670</u> |
| Cash flows from financing activities | | | |
| Payment of rebates | 8(a) | (389) | (925) |
| Payment of profit share to Lions Clubs N.S.W.-A.C.T. Public Health Care Foundation | 8 | (5,914) | (9,753) |
| Payment of grants | | <u>(262,964)</u> | <u>(172,550)</u> |
| Net cash used in financing activities | | <u>(269,267)</u> | <u>(183,228)</u> |
| Net increase (decrease) in cash held | | (47,085) | 115,419 |
| Cash & cash equivalents at beginning of the year | | <u>674,579</u> | <u>559,160</u> |
| Cash & cash equivalents at the end of the year | 9(a) | <u>627,494</u> | <u>674,579</u> |

The above cash flow statement should be read in conjunction with the accompanying notes.

LIONS CLUBS NSW-ACT SAVE SIGHT & HEALTH CARE LIMITED

As Trustee For

LIONS N.S.W.-A.C.T SAVE SIGHT FOUNDATION CHARITABLE TRUST

ABN 57 536 782 464

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

1. STATEMENT OF ACCOUNTING METHODS

The basis of the preparation of the Foundation's accounts is set out in detail in Note 1 to the Accounts of Lions Clubs NSW-ACT Save Sight & Health Care Limited, set out on pages 8 to 10 of this booklet.

| | 2008 | 2007 |
|--|-------------------------|-------------------------|
| | \$ | \$ |
| 2. CASH AND CASH EQUIVALENTS | | |
| Current | | |
| Secretary's petty cash float | 400 | 400 |
| ANZ Bank New Lambton, cheque account | 110,570 | 134,660 |
| ANZ Bank New Lambton – Fundraising #1 account | 8,755 | 8,886 |
| ANZ Bank New Lambton – Fundraising #2 account | 1,625 | 1,716 |
| ANZ Bank New Lambton – Raffle account | 6,144 | 28,917 |
| ANZ Trustees, V2+ account | 500,000 | 500,000 |
| | <u>627,494</u> | <u>674,579</u> |
| 3. RECEIVABLES | | |
| Current | | |
| Taxation credits receivable | 38,001 | 63,519 |
| | <u>38,001</u> | <u>63,519</u> |
| 4. OTHER ASSETS | | |
| Current | | |
| Prepaid expenses – current raffle | 4,492 | 7,279 |
| Prepayments | 687 | - |
| | <u>5,179</u> | <u>7,279</u> |
| 5. FINANCIAL ASSETS | | |
| Non-current | | |
| <i>Listed securities at fair value through profit or loss</i> | | |
| Equity securities – at fair value | 990,638 | 1,842,276 |
| <i>Other financial assets</i> | | |
| Debentures - Esanda Finance Corporation Limited | 700,000 | 700,000 |
| | <u>1,690,638</u> | <u>2,542,276</u> |

LIONS CLUBS NSW-ACT SAVE SIGHT & HEALTH CARE LIMITED

As Trustee For

LIONS N.S.W.-A.C.T SAVE SIGHT FOUNDATION CHARITABLE TRUST

ABN 57 536 782 464

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

| | 2008 \$ | 2007 \$ |
|--|---------------|---------------|
| 6. PAYABLES | | |
| Current | | |
| Owing to Lions Clubs NSW-ACT Public Health Care Foundation | 4,950 | 7,375 |
| Sundry creditors | 7,000 | 8,187 |
| | <u>11,950</u> | <u>15,562</u> |
| 7. OTHER LIABILITIES | | |
| Current | | |
| Future raffle income | 12,970 | - |
| | <u>12,970</u> | <u>-</u> |
| 8. FUNDRAISING ACTIVITIES | | |
| Refer to Notes 1.b and 9 of the Company's accounts on pages 8 to 10 and page 15 of this booklet for an outline of the Foundation's fundraising activities. The two fundraising activities are reported on below. | | |
| (a) RAFFLE | | |
| Proceeds of raffle ticket sales | 39,604 | 45,798 |
| Less: Expenditure | | |
| Advertising & promotion, government charges, postage, printing & stationery | 7,507 | 7,558 |
| Prizes | 20,664 | 20,962 |
| | <u>28,171</u> | <u>28,520</u> |
| Net profit | <u>11,433</u> | <u>17,278</u> |
| Distribution of profit | | |
| 25% rebates to participating clubs | 389 | 925 |
| ½ remainder to Lions Clubs NSW-ACT Public Health Care Foundation | 5,522 | 8,176 |
| Balance to Lions NSW-ACT Save Sight Foundation Charitable Trust | 5,522 | 8,177 |
| | <u>11,433</u> | <u>17,278</u> |
| (b) PROMOTIONAL MERCHANDISE | | |
| Received from sales of soft toys and lapel pins | 785 | 3,153 |
| Less: cost of goods sold | - | - |
| Gross profit (loss) | 785 | 3,153 |
| ½ remainder to Lions Clubs NSW-ACT Public Health Care Foundation | 392 | 1,577 |
| Balance to Lions NSW-ACT Save Sight Foundation Charitable Trust | 393 | 1,576 |

LIONS CLUBS NSW-ACT SAVE SIGHT & HEALTH CARE LIMITED

As Trustee For

LIONS N.S.W.-A.C.T SAVE SIGHT FOUNDATION CHARITABLE TRUST

ABN 57 536 782 464

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

| | 2008 \$ | 2007 \$ |
|---|----------------|----------------|
| 9. NOTES TO THE CASH FLOW STATEMENT | | |
| a) Reconciliation of cash and cash equivalents | | |
| For the purposes of the cash flow statement, cash and cash equivalents consist of cash on hand and at banks. | | |
| Cash and cash equivalents as at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows: | | |
| Secretary's petty cash on hand | 400 | 400 |
| ANZ Bank New Lambton, cheque account | 110,570 | 134,660 |
| ANZ Bank New Lambton, Fundraising #1 account | 8,755 | 8,886 |
| ANZ Bank New Lambton, Fundraising #2 account | 1,625 | 1,716 |
| ANZ Bank New Lambton, Raffle account | 6,144 | 28,917 |
| ANZ Trustees, V2+ account | 500,000 | 500,000 |
| | <u>627,494</u> | <u>674,579</u> |
| b) Reconciliation of Net Cash provided by Operating Activities to Net Surplus for the year | | |
| Net surplus for the year | (666,432) | 223,306 |
| Loss (gain) in fair value of financial assets | 885,826 | (11,135) |
| (Increase) decrease in receivables | 25,518 | 8,046 |
| (Increase) decrease in inventories | - | 21,413 |
| (Increase) decrease in prepayments | 2,099 | (646) |
| Increase (decrease) in payables | (3,612) | 3,953 |
| Increase (decrease) in other liabilities | 12,970 | (4,960) |
| | <u>256,369</u> | <u>239,977</u> |
| 10. CONTINGENT LIABILITIES | | |
| Grants | | |
| After approval of grants by the directors, the Foundation only pays a grant on production of satisfactory evidence by the applicant. There is therefore no certainty that a grant that has been approved will proceed to payment. | | |
| Grants made during the year are accounted for on a cash basis. At balance date the amount of grants approved but not yet paid was: | <u>10,343</u> | <u>56,031</u> |

LIONS CLUBS NSW-ACT SAVE SIGHT & HEALTH CARE LIMITED

As Trustee For

LIONS N.S.W.-A.C.T SAVE SIGHT FOUNDATION CHARITABLE TRUST

ABN 57 536 782 464

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

11. EVENTS SUBSEQUENT TO BALANCE DATE

Since 31 December 2008, the Australian share market has experienced a further decline in value. The investments in listed equities held by the Foundation have experienced a similar decline. As at 19 March 2009, the value of the Foundation's listed securities designated as fair value through profit or loss is \$910,857.

**LIONS CLUBS NSW-ACT SAVE SIGHT AND HEALTH CARE LIMITED
ABN 25 001 232 659**

INDEPENDENT AUDIT REPORT

**TO THE TRUSTEE OF LIONS NSW-ACT PUBLIC HEALTH CARE FOUNDATION
ABN 75 575 730 056**

FOR THE YEAR ENDED 31 DECEMBER 2008

To the trustee of Lions Clubs NSW-ACT Public Health Care Foundation:

We have audited the accompanying financial report of Lions Clubs NSW-ACT Public Health Care Foundation ("the Foundation"), which comprises the balance sheet as at 31 December 2008, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration, as set out on pages 33 to 40.

Directors' Responsibility for the Financial Report

The directors of Lions Club NSW-ACT Save Sight and Health Care Limited are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal controls 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

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. 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 judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 directors, as well as evaluating the overall presentation of the financial report.

Our audit did not involve an analysis of the prudence of business decisions made by directors of Lions Club NSW-ACT Save Sight and Health Care Limited or management.

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

**LIONS CLUBS NSW-ACT SAVE SIGHT AND HEALTH CARE LIMITED
ABN 25 001 232 659**

INDEPENDENT AUDIT REPORT

**TO THE TRUSTEE OF LIONS NSW-ACT PUBLIC HEALTH CARE FOUNDATION
ABN 75 575 730 056**

**FOR THE YEAR ENDED 31 DECEMBER 2008
(continued)**

Independence

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

Basis Qualified Audit Opinion

It is not practicable for the Foundation to establish complete accounting control over all unsolicited income prior to its receipt at Headquarters. It is therefore not possible for our audit examination to include audit procedures to extend beyond recorded income and, accordingly, our audit of unsolicited income was limited to confirming that items recorded upon receipt have been banked.

Qualified Auditor's Opinion

In our opinion, except for the effects on the financial report of such adjustments, if any, as might have been required had the limitation on our audit procedures referred to in the qualification paragraph no existed.

- (c) the financial report presents fairly, in all material respects, the financial position of Lions NSW-ACT Save Sight Foundation Charitable Trust as at 31 December 2008, and its performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations); and
- (d) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

**HLB MANN JUDD
(NSW Partnership)
Chartered Accountants**

**Sydney
March 2009**

**A G Smith
Partner**

**LIONS CLUBS NSW-ACT SAVE SIGHT AND HEALTH CARE LIMITED
ABN 25 001 232 659**

**DIRECTORS OF LIONS CLUB NSW-ACT SAVE SIGHT AND HEALTH CARE LIMITED'S
DECLARATION**

FOR THE YEAR ENDED 31 DECEMBER 2008

In the directors of Lions Club NSW-ACT Save Sight and Health Care Limited's opinion the financial statements and notes set out on pages 34 to 40 present fairly the Foundation's financial position as at 31 December 2008 and its financial performance and its cash flows for the year ended on that date in accordance with Accounting Standards (including the Australian Accounting Interpretations).

This declaration is made in accordance with a resolution of directors of Lions Club NSW-ACT Save Sight and Health Care Limited.

Director

**Sydney
22 March 2009**

LIONS CLUBS NSW-ACT SAVE SIGHT & HEALTH CARE LIMITED

**As Trustee For
LIONS CLUBS N.S.W.-A.C.T. PUBLIC HEALTH CARE FOUNDATION**

A.B.N. 75 575 730 056

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2008**

| | 2008 | 2007 |
|---|-------------------------|-----------------------|
| | \$ | \$ |
| INCOME | | |
| Donations | | |
| 100% Participating clubs | 8,850 | 20,050 |
| Districts | - | - |
| | <hr/> | <hr/> |
| | 8,850 | 20,050 |
| Interest received | 76,894 | 70,553 |
| Dividends and trust distributions | 84,368 | 101,369 |
| Share of Merchandise sale profit (loss) | 392 | 1,576 |
| Share of Raffle profit | 5,522 | 8,177 |
| | <hr/> | <hr/> |
| | 176,026 | 201,725 |
| | <hr/> | <hr/> |
| EXPENSES | | |
| Auditors' remuneration | 7,500 | 7,000 |
| Bank charges | 159 | - |
| Cleaning / rubbish removal (secure shredding) | 315 | 297 |
| Clerical expenses | 3,848 | 4,332 |
| Computer expenses | 221 | 624 |
| General expenses | - | 70 |
| Honour awards | 1,670 | 1,407 |
| Insurance | 871 | 871 |
| Meeting expenses | 13,424 | 13,389 |
| Participating patches | 500 | - |
| Postage | 82 | 626 |
| Printing & stationery | 722 | 913 |
| Publicity/promotional expenses | 275 | - |
| Storage fees | 746 | 746 |
| Telephone and Fax | 313 | - |
| Changes in net market value of equities | 926,486 | 29,075 |
| | <hr/> | <hr/> |
| | 957,132 | 59,350 |
| | <hr/> | <hr/> |
| Net surplus for the year | <u>(781,106)</u> | <u>142,375</u> |

The above income statement should be read in conjunction with the accompanying notes.

LIONS CLUBS NSW-ACT SAVE SIGHT & HEALTH CARE LIMITED

As Trustee For
LIONS CLUBS N.S.W.-A.C.T. PUBLIC HEALTH CARE FOUNDATION

A.B.N. 75 575 730 056

BALANCE SHEET
AT 31 DECEMBER 2008

| | Note | 2008 \$ | 2007 \$ |
|----------------------------------|------|------------------|------------------|
| CURRENT ASSETS | | | |
| Cash & cash equivalents | 2 | 648,518 | 708,352 |
| Receivables | 3 | 20,387 | 56,045 |
| Other assets | 4 | 687 | - |
| Total current assets | | 669,592 | 764,397 |
| NON-CURRENT ASSETS | | | |
| Financial assets | 5 | 1,646,248 | 2,522,035 |
| Total non-current assets | | 1,646,248 | 2,522,035 |
| Total assets | | 2,315,840 | 3,286,432 |
| CURRENT LIABILITIES | | | |
| Payables | 6 | 6,000 | 6,000 |
| Total current liabilities | | 6,000 | 6,000 |
| Total liabilities | | 6,000 | 6,000 |
| Net assets | | 2,309,840 | 3,280,432 |
| EQUITY | | | |
| Income Fund | | 322,008 | 349,277 |
| Capital Fund | | 1,987,832 | 2,931,155 |
| Total equity | | 2,309,840 | 3,280,432 |

The above balance sheet should be read in conjunction with the accompanying notes.

LIONS CLUBS NSW-ACT SAVE SIGHT & HEALTH CARE LIMITED

**As Trustee For
LIONS CLUBS N.S.W.-A.C.T. PUBLIC HEALTH CARE FOUNDATION**

A.B.N. 75 575 730 056

STATEMENT OF CHANGES IN EQUITY

AT 31 DECEMBER 2008

| | 2008 | 2007 |
|---|-------------------------|-------------------------|
| | \$ | \$ |
| Total equity at the beginning of the financial year | 3,280,432 | 3,241,235 |
| Net surplus | (781,106) | 142,375 |
| | <u>2,499,326</u> | <u>3,383,610</u> |
| Less grants during the year | | |
| Belmont District Hospital | 9,490 | - |
| Children's Medical Research | - | 5,500 |
| Coast Community Care | 10,000 | - |
| Coastal Disability Services | - | 8,325 |
| Diabetes Australia | - | 3,000 |
| Great Lakes Aged & Invalid Care | - | 15,000 |
| Greater Southern AHS | - | 24,417 |
| Greater Western AHS | 40,737 | 2,395 |
| Grenfell District Hospital | 7,213 | - |
| Gungahlin Reg. Community Service | 1,700 | - |
| Gwen Warmington Lodge | - | 4,500 |
| Harley Nursing Home | - | 2,255 |
| Hunter New England AHS | 60,023 | - |
| John Hunter Hospital | - | 3,912 |
| Liverpool Hospital | 2,990 | 10,091 |
| Macksville District Hospital | 1,990 | - |
| MS Society of ACT | - | 938 |
| Myrtle Cottage Group | 2,900 | - |
| North Coast AHS | - | 11,925 |
| Orange Base Hospital | 4,800 | - |
| Orana Early Childhood Institute | 7,643 | - |
| The Spastic Centre Of NSW | - | 8,278 |
| United Hospital Auxiliary of NSW | - | 2,642 |
| Wansey Community Dialysis Centre | 40,000 | - |
| | <u>189,486</u> | <u>103,178</u> |
| Total Grants Paid During the Year | | |
| | <u>2,309,840</u> | <u>3,280,432</u> |
| Total equity at the end of the financial year | | |

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

LIONS CLUBS NSW-ACT SAVE SIGHT & HEALTH CARE LIMITED

**As Trustee For
LIONS CLUBS N.S.W.-A.C.T. PUBLIC HEALTH CARE FOUNDATION**

A.B.N. 75 575 730 056

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2008**

| | Note | 2008 \$ | 2007 \$ |
|---|------|-------------------------|-------------------------|
| Cash flows from operating activities | | | |
| Donations from clubs etc | | 8,850 | 20,050 |
| Dividends & trust distributions received | | 84,368 | 101,369 |
| Interest received | | 76,894 | 70,553 |
| Share of merchandise profit | | 392 | 1,576 |
| Share of raffle profit | | 5,522 | 8,177 |
| Payments to suppliers | | (5,936) | (36,083) |
| Net cash provided by operating activities | 7(b) | <u><u>170,090</u></u> | <u><u>165,642</u></u> |
| Cash flows from investing activities | | | |
| Payments for investments | | (40,438) | - |
| Proceeds from capital returns from investments | | - | 57,788 |
| Net cash (used in) investing activities | | <u><u>(40,438)</u></u> | <u><u>57,788</u></u> |
| Cash flows from financing activities | | | |
| Payment of grants | | (189,486) | (103,178) |
| Net cash used in financing activities | | <u><u>(189,486)</u></u> | <u><u>(103,178)</u></u> |
| Net increase (decrease) in cash and cash equivalents | | (59,834) | 120,252 |
| Cash and cash equivalents at the beginning of the year | | 708,352 | 588,100 |
| Cash and cash equivalents at the end of the year | 7(a) | <u><u>648,518</u></u> | <u><u>708,352</u></u> |

The above cash flow statement should be read in conjunction with the accompanying notes.

LIONS CLUBS NSW-ACT SAVE SIGHT & HEALTH CARE LIMITED

As Trustee For
LIONS CLUBS N.S.W.-A.C.T. PUBLIC HEALTH CARE FOUNDATION

A.B.N. 75 575 730 056

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

1. STATEMENT OF ACCOUNTING METHODS

The basis of the preparation of the Foundation's accounts is set out in detail in Note 1 to the Accounts of Lions Clubs NSW-ACT Save Sight & Health Care Limited, set out on pages 8 to 10 of this booklet.

| | 2008 \$ | 2007 \$ |
|---|------------------|------------------|
| 2. CASH AND CASH EQUIVALENTS | | |
| Current | | |
| ANZ Bank New Lambton, Cheque Account | 148,518 | 208,352 |
| ANZ Trustees, V2+ Account | 500,000 | 500,000 |
| | <u>648,518</u> | <u>708,352</u> |
| 3. RECEIVABLES | | |
| Current | | |
| Owing by Lions NSW-ACT Save Sight Foundation | 4,950 | 7,375 |
| Taxation credits receivable | 15,437 | 48,670 |
| | <u>20,387</u> | <u>56,045</u> |
| 4. OTHER ASSETS | | |
| Current | | |
| Prepaid expenses | 687 | - |
| | <u>687</u> | <u>-</u> |
| 5. FINANCIAL ASSETS | | |
| Non-Current | | |
| <i>Listed securities at fair value through profit or loss</i> | | |
| Equity securities – at fair value | 935,986 | 1,822,035 |
| <i>Other financial assets</i> | | |
| Debentures - Esanda Finance Corporation Limited | 710,262 | 700,000 |
| | <u>1,646,248</u> | <u>2,522,035</u> |
| 6. PAYABLES | | |
| Current | | |
| Other creditors | 6,000 | 6,000 |
| | <u>6,000</u> | <u>6,000</u> |

LIONS CLUBS NSW-ACT SAVE SIGHT & HEALTH CARE LIMITED

**As Trustee For
LIONS CLUBS N.S.W.-A.C.T. PUBLIC HEALTH CARE FOUNDATION**

A.B.N. 75 575 730 056

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

| | 2008 | 2007 |
|---|-----------------------|-----------------------|
| | \$ | \$ |
| 7. NOTES TO THE CASH FLOW STATEMENT | | |
| a) Reconciliation of cash and cash equivalents | | |
| For the purposes of the cash flow statement, cash and cash equivalents consist of cash on hand and at banks. | | |
| Cash and cash equivalents as at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows: | | |
| ANZ Bank New Lambton, Cheque Account | 148,518 | 208,352 |
| ANZ Trustees, V2+ Account | 500,000 | 500,000 |
| | <u>648,518</u> | <u>708,352</u> |
| b) Reconciliation of Net Cash provided by Operating Activities to Net Surplus for the year | | |
| Net surplus for the year | (781,106) | 142,375 |
| (Gain) Loss in fair value of financial assets | 916,225 | 29,075 |
| (Increase) decrease in receivables | 35,658 | (5,808) |
| (Increase) decrease in prepayments | (687) | - |
| | <u>170,090</u> | <u>165,642</u> |
| 8. CONTINGENT LIABILITIES | | |
| Grants | | |
| After approval of grants by the directors, the Foundation only pays a grant on production of satisfactory evidence by the applicant. There is therefore no certainty that a grant that has been approved will proceed to payment. | | |
| Grants made during the year are accounted for on a cash basis. At balance date the amount of grants approved but not yet paid was: | | |
| | <u>13,000</u> | <u>95,560</u> |

LIONS CLUBS NSW-ACT SAVE SIGHT & HEALTH CARE LIMITED

**As Trustee For
LIONS CLUBS N.S.W.-A.C.T. PUBLIC HEALTH CARE FOUNDATION**

A.B.N. 75 575 730 056

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

9. EVENTS SUBSEQUENT TO BALANCE DATE

Since 31 December 2008, the Australian share market has experienced a further decline in value. The investments in listed equities held by the Foundation have experienced a similar decline. As at 19 March 2009, the value of the Foundation's listed securities designated as fair value through profit or loss is \$900,230.