

ARCHIVES AND MUSEUM



Old Scotch Collegians' Association

Annual Report 2021

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OLD SCOTCH COLLEGIANS' ASSOCIATION
A.B.N. 98 004 198 403

FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE, 2021

REGISTERED OFFICE:
1 MORRISON STREET
HAWTHORN VICTORIA 3122

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Photography: Scott Montgomery, John Ferguson
Editing: Scott Montgomery

Front cover: Chairman of the School Council, Alex Sloan ('71) cutting the ribbon at the opening of the Tolson Centre, 6 May 2021.

OSCA Council

For the year 2021



Andrew Wilson ('78)
President



Stephen Webster ('73)
Senior Vice President



Matthew Guthridge ('91)
Junior Vice President



Philip Wright ('69)
Treasurer



Peter Lam ('99)
Alumni Relations



Andrew Coates ('85)
Communications & Data



James Adams ('05)
Events & Branches



James Gallacher ('90)
Alumni Relations



Alistair Macrae ('94)
Governance, Finance &
Risk



Pauline Westmore
SC Staff (1995-2016)
Alumni Relations



Ben James ('89)
Governance, Finance &
Risk



James Paterson ('93)
Governance, Finance &
Risk

Secretary



Scott Montgomery ('85)
Executive Director

President's Report 2021

A challenging year but good direction and initiatives

2021 was, of course, another challenging year for OSCA's members, their families, friends, and the communities around us. The continuing pandemic caused huge impacts on lives, wellbeing, livelihoods, relationships, plans and routines. In this environment OSCA's priorities are more critical than ever.

Across OSCA's year some broad themes stand out: *The Cardinal Thread* as a unifying idea, the increasing emphasis on broad engagement of OSCA members, the attention being given to youth, the increasing digitalisation of OSCA's ways of operating, effective governance and the pandemic's continuing impact on traditional activities.

The Cardinal Thread

The Cardinal Thread is symbolic and evocative of the intangible connections and emotions that draw the Scotch Family together. It can be incredibly strong and valuable – but it can also fray or even break unless maintained, managed and supported. It begins with each boy's experiences while attending the School and then it surfs largely on the fluctuating strength of relationships between them as Old Boys.

Broad engagement

It follows that OSCA's strategic priorities be about providing reasons to connect, ways to connect and opportunities to contribute. It also follows that OSCA Council look beyond *providing* those reasons and ways itself and strongly *encourages* and *supports* them to come forth from OSCA's members. Whatever our individual circumstances and interests, each of us can take the initiative and contribute. This is increasingly the focus of OSCA Council.

One outlet for that initiative comes in the form of co-opted membership of OSCA Council's committees. OSCA Council's work is mostly done by those committees, and on many of those committees OSCA Councillors are outnumbered by members who are co-opted. This magnifies the skills and energies available – and is, in itself, a reason and way to connect. I sincerely thank all who have participated and I trust that all have found the team involvement rewarding.

Another outlet relates to special-purpose initiatives that the committees may support but not necessarily drive. It is always risky to single out individuals but acknowledgement is a key role of Council. Among others, Emil Breidahl ('08) designed, delivered and reported on a survey of Old Boy views, Mark Tolson ('73) developed a digital strategy, John Jeffreys ('69) led a long project to design an OSCA tartan and deliver it in the form of kilts, Lachie Strathmore ('15) conceived and delivered the OSCA Podcast series and Paul Deschepper ('00) supported Council in its approach to risk.

Others have contributed significantly in leadership roles with School Council, the Scotch College Foundation, the Victorian Scottish Heritage and Cultural Foundation, as organisers of reunions, as leaders in Branches, and as leaders and participants of OSCA-affiliated clubs and societies. The contributors are innumerable and their collective impact is immense. Well done and thank you!

The activity with volume and intimacy however, is informal connections and friendships. The 2021 survey of Old Boy views showed that 70% of the 381 respondents agreed or strongly agreed that they connect with other Old Boys socially as friends that are in their close friendship group. Some 36% connect socially through informal activities or events not organised by OSCA, and lower proportions connect through events and committees (29%) or clubs and societies (22%). The real OSCA is Old Boys creating ways and reasons to connect using their own resources and initiative.

Other key observations from the survey were about the strength of engagement interest from Old Boys 'outside Melbourne', the generational differences in technology preferences (OSCAconnect, LinkedIn, Facebook and Instagram), the very strong interest in vocational support, the sizeable interest in the concept of an enterprise that focuses on building the capacity of the community outside the Scotch Family and the level of interest (22%) in connecting with other Old Boys while being uncertain of how to do so.

Wellness is a further major theme – and again OSCA Council has pursued the view that its most useful role is in encouraging reasons and ways to connect. Connection gives the mechanism for benefits (such as career advice) and is a human benefit in itself. The pandemic lockdowns show all too starkly the consequences of the opposite, being social isolation and disconnection.

Preparations for the 2021 survey involved consulting with the driver of the previous (2012-13) survey, Richard Beveridge ('61). OSCA is much the poorer that during the year Richard, and fellow past President Geoff Bowden ('46), passed away; they will be sincerely missed.

Youth and digitalisation

The idea that Old Boys would reach out to OSCA or its people, whether for career advice or from a darker place, is easier in theory than practice. The starting point has to be the thought that OSCA might be relevant. Too often boys leave the School without realising that they remain part of a lifelong community from which they, and their mates, may benefit. While no age group is immune from its own challenges, there exists a strong ethic for helping the young and for helping others avoid the same pitfalls. Thus OSCA Council continues to emphasise connection between the Young Old Boys (YOBs) and the upcoming generation that is soon to leave the School.

In 2021, as in 2020, young Old Boys of their own initiative reached out to the Year 12 students via a series of four Zoom sessions called *Life beyond the gates*. At each session two or three YOBs, from 1-6 years out of school, responded to large and small questions about what life is like after leaving school. The subtext was that OSCA just might be relevant.

The Year 12 sessions were complemented by OSCA creating a 'care pack' for every Year 12 student in lockdown – and the feedback was very positive. In both 2021 and 2020 the Year 12 Formal and the Valedictory Dinner were cancelled – though the Valedictory Dinner took on a modified form of picnic dinners in house groups around the Main Oval. OSCA successfully hosted the OSCA Mother-and-Son breakfast but had to cancel the corresponding event for fathers.

For the 2020 leavers OSCA helped make amends for the compromised VCE year by organising a very well-attended event-with-partners at the Collingwood Brewhouse in early 2021. For the 2021 leavers OSCA's plans are even bigger.

OSCA's connection message was further strengthened with a new online event pitched to the parents of YOBs from the classes of 2020 and 2019. It was hosted by Jum Lamont ('06) and Nick Clark the School's psychologist and it addressed the changing role of the parent. Again, a visible sub-text was that parents think of pointing their sons towards their mates and other Old Boys. It may sound simple but many YOBs do struggle and think they're the only one, which unnecessarily exacerbates the impacts.

In yet another initiative pitched to YOBs, YOBs themselves saw an opportunity and generated a series of podcasts called The OSCA Podcast. Interviews with YOBs were recorded on topics ranging from being picked in the AFL Draft, holidaying for six-months in North and South America, taking a gap year to work on the Tiwi Islands, and living in a university college. Listening numbers were high – and, as a surprise, the audience comprised all age groups. See www.oscanet.com.au/the-osca-podcast/

OSCA's online events were rounded out with further episodes of OSCA Live – see <https://www.oscanet.com.au/osca-live/>.

With the financial support of the OSCA Collegians club OSCA employed Scotch's 2020 School Captain, Will Dixon, part time. The purpose was to invigorate OSCAconnect and OSCA's other digital activities – and do so particularly through the eyes of youth.

Further advances in OSCA's digital presence have included the launch of OSCA's business directory (on OSCAconnect) and online shop (on OSCAnet). The directory quickly attracted around 50 business entries and the shop was quickly meeting a latent demand for merchandise that had previously been largely inaccessible, and for duplicate past issues of *The Collegian* magazine which are surplus to the requirements of the School's Archives. OSCAconnect, with over 1500 Old Boys registered, continues to show considerable promise.

Traditional activities

OSCA's pivot towards a digital strategy has been necessary anyway – but the pandemic and restrictions on people moving freely and gathering together made it urgent. Most of OSCA's traditional in-person events had to be cancelled. The Annual Dinner had sold out a month beforehand – but with a day's notice a lockdown prevented it from proceeding. The Treasurer of Australia, the Hon. Josh Frydenberg was to be guest of honour. Nor could Branch lunches be held. Only a few of the decadal class reunions, which are a mainstay of OSCA gatherings, could proceed – but the classes of 1990 and 1991 were treated to perfect weather in a perfect setting, the new Keon-Cohen Dining Hall. Last year's AGM and Presidents' Dinner were held online via Zoom but reached an audience wider and more dispersed than usual. Such are the opportunities.

An event that did eventually proceed was the official opening of the superb new Tolson Centre. It includes the archives and museum, the OSCA office and a substantial and character-filled meeting room. A handful of small events and the usage of OSCA House as a recording studio, quickly demonstrated the immense potential of this new OSCA home. The museum display is well worth a visit.

OSCA tartan

The year was marked brightly by the finalisation of the design of the OSCA tartan, the weaving of that design into cloth and the manufacture of the first kilts. This initiative is sure to create an impact as the visual representation of Scotch's Scottish heritage and values and of *The Cardinal Thread*.

Governance

The year ended with OSCA positioned strongly. OSCA has significantly strengthened the policy framework which guide its activities, is grappling with the hard business of managing its data, takes seriously its responsibilities for nominating five members of the School Council and is consistently considering risk. OSCA's Clubs and Societies Committee has restructured the way it works so that it can sustain personal relationships with the leaders of each club and thus give meaning to the memoranda of understanding that are being put in place with OSCA.

Finances

Financially the year to 30 June 2021 ended with a modest surplus of nearly \$31,000 (2020: shortfall - \$26,478). Net assets increased by \$534,113 (2020: decrease of \$88,794), primarily due to a strong performance of OSCA's investment portfolio. The portfolio is outsourced to investment professionals with strong oversight by the Governance, Finance & Risk Committee. Managed with a long-term growth focus, the portfolio is in a sound position to provide ongoing income for OSCA's operations, as well as slowly growing its capital base for required expenditures. Financial outcomes will always vary and OSCA Council is conscious that strong finances are beneficial only insofar as they help OSCA fulfil its purpose.

Special thanks

A more meaningful measure of success relates to the numbers of people to contribute their time and expertise. That quantum is, as it should be, far too extensive to count and name. However, OSCA's staff – Scott Montgomery ('85), Caroline Taylor and Will Dixon ('19) – can't be thanked enough for all that they do in delivering programs, supporting the expanding group of volunteers and in improving the rigour of OSCA's practices.

It is also important to acknowledge that OSCA doesn't operate in a vacuum but is instead inter-dependent with the School. OSCA is grateful for the efforts of:

- School Council (chaired by The Hon Dr David Kemp AC ('59) and then from December 2020 Mr Alex Sloan ('71))
- School staff including Tim Shearer ('85), Director of Development and Executive Director of the Scotch College Foundation, the Bursar, Ross Congleton ('76), the Finance Manager, Simon Reichelt, and the Accountant, Joyce Zhou
- The Scotch College Foundation led by its President Assoc. Prof. Doug Lording AM ('64) who has also served diligently on School Council.

During the year the Principal, Mr Tom Batty advised that he would return to England by June 2022. OSCA wishes him the very best in his future endeavours and thanks him for his support of OSCA. A significant part of Tom's legacy, putting it lightly, is embodied in a global diaspora of 14 year-groups of Old Boys who completed Year 12 under his leadership, a further 12 year-groups of future Old Boys who experienced School with Tom at the helm and future students (hence future Old Boys) who will benefit from what Tom has helped create.

Lastly, but importantly, I thank the 12 OSCA Councillors – including new Councillors Ben James ('89) and James Paterson ('93), and retiring Councillors Andrew Coates ('85) and Pauline Westmore (SC staff 1996-2016). The Council continues to build on the foundations laid by generations of Councils before it and the Councillors have given their President every support.

James Douglas ('84) (President for 2019 and 2020) retired from Council at the 2020 AGM and I take this opportunity to thank him, both personally and on behalf of OSCA, for his guidance, care and the sense of purpose and effectiveness that he instilled.

A handwritten signature in cursive script, appearing to read "Andrew A.G. Wilson".

Andrew A.G. Wilson AFSM ('78)

Councillors' Report

The Councillors have pleasure in presenting their report together with the accounts of the Old Scotch Collegians' Association for the year ended 30 June 2021. This report is made pursuant to the provisions of the Corporations Act 2001.

LONG-TERM OBJECTIVES

The objects of the Association are to:

- (a) promote the welfare and advancement of Scotch College through the activities of Old Collegians and present and former Staff Members of the College;
- (b) provide a means for Old Collegians to keep in touch with each other, to promote unity among them and to foster and develop in them a desire to assist in the welfare and advancement of the College;
- (c) raise, aid or contribute to the raising of funds for the use and benefit of the College, whether for endowment, building, embellishment, improvement, educational, recreational or any other purposes considered to be advantageous to the College and, with the consent of the proper authorities, to erect, equip and maintain buildings, structures, grounds, memorials and improvements of any kind on the property of the College or at any other place or places;
- (d) establish and encourage, aid, assist and take part in the establishment of funds, exhibitions, scholarships, bursaries and prizes for students or Old Collegians of the College;
- (e) contribute or undertake to contribute to any fund or assist in attaining any object established or designed to foster friendly relationships with the Associated Public Schools of Victoria or other similar schools;
- (f) take or accept any gift of property (whether real or personal and whether subject to any special trust or not) for any one or more of the objects of the Association and to undertake and execute any trust for the purpose of directly or indirectly carrying out the objects of the Association;
- (g) promote sport, wellbeing, entertainment and education among Old Collegians, encourage social interaction between Members of the Association and promote the formation of affiliated clubs for any such purpose, on terms determined by the Council from time to time, including the provision of management and financial support to any clubs affiliated with the Association;
- (h) render financial or other assistance to former office-bearers of the Association or their dependents and to Old Collegians or their dependents in distress and to pay for or contribute to the maintenance and education of the dependants of deceased Old Collegians;
- (i) provide Old Collegians with information on all matters affecting their interests or welfare and to print, publish, issue and circulate (whether in hard copy or electronically) such communications as may be beneficial to any of the objects of the Association;
- (j) do all or any of the things authorised in its Constitution either alone or in conjunction with or as a trustee or agent for others and by or through trustees or agents;
- (k) do all such lawful acts, matters and things as are incidental or conducive to the objects of the Association.

STRATEGY, 2020-2024

OSCA Council adopted a five-year strategic plan In March 2019, and refreshed it in October 2020. The plan states that OSCA must pursue three priorities to deliver one of the best alumni experiences in the world by 2030.

Mission	<i>Promote the advancement and welfare of Scotch College and its Old Boys</i>		
Vision	<i>Provide the best alumni experience in the world by strengthening the “Cardinal Thread” – the connections within the Scotch Family</i>		
Priorities	1 Providing reasons to connect	2 Providing ways to connect	3 Providing opportunities to give back
Key activities	<p>A. Foster deep friendships between Old Boys to share similar interests</p> <ul style="list-style-type: none"> • Events, clubs and societies • Committees and projects • Informal connections <p>B. Support networking and mentoring opportunities</p> <ul style="list-style-type: none"> • Early career and career transition support <p>C. Support Old Boys to thrive</p> <ul style="list-style-type: none"> • Making sense of School and life experiences • Career and wellbeing support <p>D. Cultivate a worthy sense of Scotch identity, belonging and pride (“Cardinal Thread”)</p>	<p>E. Provide regular opportunities for Old Boys to connect face-to-face</p> <ul style="list-style-type: none"> • Events – reunions, dinners (Australia and globally) • Clubs and societies that cater to Old Boy interests/passions • Committees and projects <p>F. Provide world-class digital engagement via</p> <ul style="list-style-type: none"> • OSCAconnect and website • Video-conferencing • Great Scot digital magazine • Social media • Easy to access, customisable on-line communities 	<p>G. Give back to the School and Scotch Family</p> <ul style="list-style-type: none"> • Foundation • Scotch Family groups <p>H. Support the Leadership of the School</p> <p>I. Create opportunities for the Scotch Family to give back</p> <ul style="list-style-type: none"> • Volunteering • Supporting social enterprise <p>J. Improve Scotch’s position / reputation in the community</p>
	Scotch and OSCA values		

Endorsed as a 5 year strategy at OSCA Council meeting on 01/04/19 and updated on 06/10/2020.

The COVID-19 pandemic that commenced in February, 2020 continues to have a significant impact on the general community and it prevented OSCA delivering its usual program of events during parts of the financial year. Whilst some events were able to be held in the latter part of 2020, the relaxation of COVID-19 restrictions was short-lived and events scheduled for the fourth quarter of the financial year were either postponed or cancelled.

Whilst postponement and, in some cases, cancellation of a number of regular events has restricted OSCA from delivering on the second of its three priorities (refer “Providing ways to connect” above), the Association is well-placed to resume hosting events as soon as government restrictions are lifted. Its long-term ‘Priorities’ and ‘Key activities’ (see above) remain unchanged and the Council looks forward with great anticipation to delivering on them.

PRINCIPAL ACTIVITIES, 2021

Activity	Timing
Annual Dinner*	May*
AGM and Past Presidents' dinner (via Zoom)	November
Branches - Australian – Sydney*, Perth*, Adelaide*, Canberra* and Tasmania*	Various*
Branches - International – Hong Kong*, New York* and London*	Various*
Branches Regional Victoria – Mornington Peninsular*, Bellarine Peninsula*, North East (Rutherglen)* and Central Victoria (Bendigo)*	Various*
Reunion year dinners [6]	10*,20*,30,40*,50*,60*
Valedictory Dinner / Scotch College Heads of House celebration	December
Special Events – Chinese New Year dinner*, Cordner Eggleston Cup Lunch*, Year 12 Breakfast (Father & Son)* and Year 12 Breakfast (Mother & Son)	September*, May
APS Golf Day event and OSCA/Wesley Golf Event*	November, April*
Great Scot magazine	Ongoing
Membership campaign	Ongoing
OSCA Clubs & societies engagement	Ongoing
OSCA Clubs support	Ongoing
OSCA Live events	Ongoing
OSCA Podcast series	Ongoing
OSCA sponsorships	Ongoing
OSCAconnect & eNewsletter	Ongoing

***Note:** many of the above activities in 2020/21 were postponed or cancelled due to the Covid-19 pandemic.

COUNCILLORS

The names of the Councillors in office at any time during or since the end of the financial year:

Name	Appointed	Resigned	No. of meetings eligible to attend during the year	No. of meetings attended during the year
A A G Wilson	14 February 2011		7	7
S R Montgomery*	15 October 2012		7	7
J Douglas	21 November 2013	18 November 2020	2	2
S Webster	23 November 2016		7	7
J Gallacher	23 November 2016		7	7
M Barr	14 August 2017	18 November 2020	2	1
A Coates	14 August 2017		7	7
M Guthridge	22 November 2017		7	7
P Lam	22 November 2017		7	7
A Macrae	8 October 2018		7	7
P Westmore	4 December 2018		7	7
J Adams	14 October 2019		7	7
P N Wright	20 November 2019		7	7
B James	18 November 2020		5	3
J Paterson	18 November 2020		5	5

* The company Secretary, Mr Scott Montgomery, B. Bus., has been Secretary since October 2012.

QUALIFICATIONS AND EXPERIENCE OF COUNCILLORS

The above-mentioned Councillors are all Life Members of the Association. The Councillors have various business, professional, academic, religious, social or sporting experience and qualifications appropriate to the running of the Association.

PRINCIPAL ACTIVITIES

The principal activities of the Association in the course of the financial year remain unchanged and are the advancement of the objects of the Old Scotch Collegians' Association.

RESULT OF OPERATIONS

The net amount of the operating deficit of the Association for the financial year after provision for income tax was \$30,980 (2020: Deficit \$26,478).

INDEMNIFICATION OF OFFICERS

The Association has paid a premium of \$3,698 (2020: \$3,528) in respect of a contract insuring all Councillors and Officers of the Association against liability up to a limit of \$10,000,000 (2020: \$10,000,000). This contract provides indemnity for loss arising from any claims made against the Councillors and Officers by reason of any wrongful act as defined in the contract.

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

The Auditor's Independence Declaration is set out following this report and forms part of the Councillors' Report for the year ended 30 June 2021.

RESOLUTION

This report is made in accordance with a resolution of the Council.



A A G Wilson
President



P N Wright
Treasurer

21 October, 2021
Melbourne

Declaration of Independence



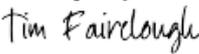
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DECLARATION OF INDEPENDENCE BY TIM FAIRCLOUGH TO THE DIRECTORS OF OLD SCOTCH COLLEGIANS' ASSOCIATION

As lead auditor of Old Scotch Collegians' Association for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

- No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- No contraventions of any applicable code of professional conduct in relation to the audit.

DocuSigned by:

A7D18160AA2344C...

Tim Fairclough
Director

BDO Audit Pty Ltd

Melbourne, 26 October 2021



Old Scotch Collegians' Association

Financial Statements

**STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2021**

	Notes	2021	2020
		\$	\$
Revenue	3	225,688	297,438
Expenses	4	(194,708)	(323,916)
Profit (Loss) before income tax expense		<u>30,980</u>	<u>(26,478)</u>
Income tax expense	2(c)	-	-
Net profit (loss)		<u>30,980</u>	<u>(26,478)</u>
Other comprehensive income, net of tax			
Items that will not be reclassified subsequently to profit or loss			
Net fair value gains (loses)		503,133	(62,316)
Total comprehensive income for the year		<u><u>534,113</u></u>	<u><u>(88,794)</u></u>

The above Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the attached notes.

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

	Notes	2021	2020
		\$	\$
CURRENT ASSETS			
Cash and Cash Equivalents		324,002	215,909
Trade and Other Receivables	6	88,279	79,681
Inventory	7	39,473	30,449
TOTAL CURRENT ASSETS		<u>451,754</u>	<u>326,039</u>
NON-CURRENT ASSETS			
Investment securities	8	3,171,018	2,687,865
TOTAL NON-CURRENT ASSETS		<u>3,171,018</u>	<u>2,687,865</u>
TOTAL ASSETS		<u>3,622,772</u>	<u>3,013,904</u>
CURRENT LIABILITIES			
Trade and Other Payables	9	869,378	794,623
TOTAL LIABILITIES		<u>869,378</u>	<u>794,623</u>
NET ASSETS		<u>2,753,394</u>	<u>2,219,281</u>
EQUITY			
Investments Revaluation Reserve		555,493	225,374
Retained Profits		2,197,901	1,993,907
TOTAL MEMBERS' EQUITY		<u>2,753,394</u>	<u>2,219,281</u>

The above Statement of Financial Position is to be read in conjunction with the attached notes.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021**

	Retained Earnings	Assets Revaluation Reserve	Total
	\$	\$	\$
As at 1 July 2019	1,905,483	402,592	2,308,075
Changes in Equity			
Net increase in value of investments	-	(62,316)	(62,316)
(Deficit) for the year	(26,478)	-	(26,478)
Total comprehensive income for the year	(26,478)	(62,316)	(88,794)
Transfer balance of Investment Revaluation Reserve related to assets disposed during the year to Retained Earnings	114,902	(114,902)	-
As at 30 June 2020	1,993,907	225,374	2,219,281
Changes in Equity			
Net increase in value of investments	-	503,133	503,133
Surplus for the year	30,980	-	30 980
Total comprehensive income for the year	30,980	503,133	534,113
Transfer balance of Investment Revaluation Reserve related to assets disposed during the year to Retained Earnings	173,014	(173,014)	-
As at 30 June 2021	2,197,901	555,493	2,753,394

The above Statement of Changes in Equity is to be read in conjunction with the attached notes.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021

	Notes	2021	2020
		\$	\$
Cash Flows from Operating Activities:			
- Receipts from Members, Functions and Donations		203,766	250,838
- Payments to Suppliers and Others		(169,628)	(323,795)
- Dividends Received		53,974	76,496
- Interest Received		-	1,200
Net Cash provided by Operating Activities	11(b)	88,112	4,739
Cash Flows from Investing Activities:			
- Payments for Investments		(1,152,269)	(1,228,130)
- Proceeds from Sale of Investments		1,172,250	1,176,242
Net Cash used in Investing Activities		19,981	(51,888)
Net Increase/(Decrease) in Cash Held		108,093	(47,149)
Cash at Beginning of Year		215,909	263,058
Cash at End of Financial Year	11(a)	324,002	215,909

The above Statement of Cash Flows is to be read in conjunction with the attached notes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

1. INTRODUCTION

The Old Scotch Collegians' Association ("the Association") is a company limited by guarantee, incorporated and domiciled in Victoria with its registered office and principal place of business being Morrison Street, Hawthorn. The operations and principal activities of the Association are the advancement of the objects of the Old Scotch Collegians' Association. The financial statements are presented in Australian dollars.

The financial report was authorised for issue by the Board of Councillors of the Association on the date shown on the Councillors' Declaration attached to the financial statements.

Coronavirus (COVID-19) pandemic

The Council has considered the impacts that the COVID-19 pandemic has had, or may have, on the Association based on known information. This consideration extends to the events we normally manage, the welfare of our members and staff and the locations in which we operate. The Association is in a strong financial position and there does not currently appear to be either any significant impact from COVID-19 upon the financial statements or any significant uncertainties which may impact the Association as at the reporting date or subsequently.

2. SUMMARY OF ACCOUNTING POLICIES

The principal accounting policies adopted by the Old Scotch Collegians' Association are stated in order to assist in a general understanding of the financial report. The financial report of the Old Scotch Collegians' Association is a general purpose financial report prepared in accordance with Australian Accounting Standards and Interpretations and the Corporations Act 2001.

(a) Overall Policy

The financial report has been prepared on an accruals basis using the historical cost method and, except where stated, does not take into account current valuations of non-current assets.

There are no significant judgements or key assumptions made in applying accounting policies or concerning the future that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

The Association is considered to be a Not-for-Profit entity and has prepared the financial statements in accordance with the requirements regarding Not-for-Profit entities as contained in Australian Accounting Standards.

The Association has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting period.

(b) Life Membership

Life Membership fees of \$481.82 (2020: \$481.82) per member net of GST are treated as revenue in the Income Statement.

(c) Income Tax

The Association is exempt from Income Tax under Section 50-5 of the Income Tax Assessment Act 1997.

(d) Inventory

Inventory is valued at the lower of cost and net realisable value. Cost is assigned on a first-in-first-out basis.

(e) Revenue Recognition

Revenue from the sale of goods is recognised as an amount that reflects the consideration to which the Association expects to be entitled when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised. Revenue from life members is recognised upon receipt when students have completed Year 12. Dividend revenue and distributions are recognised when the right to receive payment is established. Interest revenue is recognised using the effective interest method.

(f) Impairment

At each reporting date the Association reviews the carrying amounts of assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. The Councillors are satisfied that the carrying amounts of assets do not exceed the net amounts that are expected to be recovered through the cash inflows and outflows arising from the continued use and subsequent disposal of the assets.

(g) Financial Assets and Financial Liabilities

Financial assets and financial liabilities are recognised on the Statement of Financial Position when the Association becomes party to the contractual provisions of the financial instrument.

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire or are transferred and no longer controlled by the Association.

A financial liability is removed from the Statement of Financial Position when the obligation specified in the contract is discharged or cancelled or expires.

(h) Financial Assets at Fair Value through Other Comprehensive Income

Shares and units held by the Association are classified as being at fair value through Other Comprehensive Income, recognised at trade date and are stated at fair value. Gains and losses arising from changes in fair value are recognised directly in the Investments Revaluation Reserve. When an investment is disposed of the cumulative gain or loss previously recognised in the Investments Revaluation Reserve is transferred to Retained Earnings.

(i) Fair Values

The table below identifies the methodologies used to value financial instruments at fair value. The different levels have been defined as follows:

Level	Valuation method
Level 1	Quoted prices (unadjusted) in active markets for identical assets and liabilities.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3	Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following methods and assumptions are used to determine the net fair values of financial assets and liabilities:

Level	Valuation method
Cash, cash equivalents and short-term deposits	The carrying amount approximates fair value because of their short-term to maturity (Level: n/a).
Receivables and payables	The carrying amounts approximate fair value (Level: n/a)
Investment securities	The fair value is calculated using quoted prices in active markets (Level 1) for shares and units listed on a prescribed stock exchange and published prices for unlisted trusts (Level2).

3. REVENUE

	2021	2020
	\$	\$
Interest Received	-	1,200
Dividends Received	54,727	70,047
Gross Proceeds from Functions etc	25,516	64,250
Life Members' Fees	130,132	115,770
Sales of Wines, Ties, Badges etc	9,073	14,071
Donations for Student Assistance	-	500
Sponsorships	6,240	31,600
	<u>225,688</u>	<u>297,438</u>

4. EXPENSES

	2021	2020
	\$	\$
Cost of Sales	5,297	15,966
Administrative Expenses	121,971	175,506
Assistance and Contributions	23,979	45,015
Functions and Presentations	29,156	72,880
Life Member Promotion	8,337	6,934
Public Relations	5,968	5,665
Pavers refurbishment	-	1,950
	<u>194,708</u>	<u>323,916</u>

The Expense item "Assistance and Contributions", \$23,979 (2020: \$45,015) represents financial support provided by OSCA to Old Scotch clubs.

5. AUDITOR'S REMUNERATION

The auditors of the Association are appointed in an honorary capacity and received no other benefits in the year ended 30 June 2021 or 30 June 2020.

6. TRADE AND OTHER RECEIVABLES

Accrued Dividends and Interest	9,996	9,243
Sundry Debtors	40,144	31,722
Prepayments	38,139	38,716
	<u>88,279</u>	<u>79,681</u>

7. INVENTORY

The inventory comprises wines, polar fleeces, ties and bow ties, and OSCA history books and is shown at cost	<u>39,473</u>	<u>30,449</u>
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8. OTHER FINANCIAL ASSETS

Financial Assets at fair value through Other Comprehensive Income:

Investments in shares and unit trusts	<u>3,171,018</u>	<u>2,687,865</u>
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Net fair value has been determined by reference to current quoted market bid prices (Level 1) and to published redemption prices for unlisted trusts (Level 2). For descriptions of the valuation methods see note 2 (i).

9. PAYABLES

Life Membership Fee in advance	810,210	768,983
Other creditors	59,168	25,640
	<u>869,378</u>	<u>794,623</u>

10. KEY MANAGEMENT PERSONNEL

The Councillors do not receive remuneration or other benefits from the Association. They pay membership fees and are involved in other transactions with the Association on the same terms and conditions as available to other members.

The Association did not have any employees at 30 June 2021 (2020: Nil). The salaries and wages of persons employed in the Old Scotch Collegians' office and other administrative expenses are paid by Scotch College. The Association reimbursed Scotch College to the extent of \$63,150 (2020: \$107,203) disclosed as Administrative Expenses.

11. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the Statement of Financial Position as follows:

	2021	2020
	\$	\$
Cash at Bank	324,002	215,909
	<u>324,002</u>	<u>215,909</u>
(b) Reconciliation of Net Cash Provided by Operating Activities to Profit after Income Tax		
Operating Surplus /(Deficit) after Income Tax	30,980	(26,478)
Changes in Assets and Liabilities:		
Decrease/(Increase) in Receivables	(8,598)	1,122
Decrease/(Increase) in Inventory	(9,024)	(6,900)
Increase/(Decrease) in Creditors	33,527	(12,915)
Increase/(Decrease) in Unearned Income	41,227	49,910
Net Cash provided by Operating Activities	<u>88,112</u>	<u>4,739</u>

12. FINANCIAL INSTRUMENTS

Capital Management

The Councillors control the capital of the Association to ensure that returns from investments are maximised so that adequate cash flows are generated to fund its activities and continue as a going concern. There have been no changes in the strategy adopted by the Councillors to control the capital of the Association since the prior year.

Financial Risk Management

The Association has invested its surplus funds in a range of Financial Assets, which comprise the investment portfolio. The Governance, Finance and Risk Committee is responsible for the investment portfolio and has written guidelines to ensure that financial risk is managed appropriately to achieve the investment objectives, which are stated as:

- Maintaining a good spread of investments across the major asset classes with the objective of growing the capital base over the long term and minimising risk/volatility; and
- Maintaining/increasing the level of income generated by the portfolio.

The Association's investment activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Governance, Finance and Risk Committee regularly reviews the investment portfolio and manages the different types of risks to which it is exposed. No significant exposure to currency, interest, credit or liquidity risk is considered to exist.

All investments are readily tradeable investments that can be realised as required.

Sensitivity Analysis

The Association does not have significant interest rate risk. The Association's investments are subject to risk, being essentially financial market investments, including shares and securities traded on the Australian and International Stock Exchange and Unit Trusts. As such fluctuations in the financial markets will impact the financial risks of the Association. For the purpose of the sensitivity analysis a 10% change in the value of the investments is a reasonable estimate of the sensitivity of the financial asset. The Association's investments are Financial Assets at fair value through Other Comprehensive Income with changes in value recognised directly in the Available for Sale Revaluation Reserve. Movements in value do not impact the profit or loss.

	Reported Net Assets Adjusted for impact of movement	
	As at 30 June 2021	As at 30 June 2020
	\$	\$
If the value of the investment was 10% lower than reported	2,478,146	1,993,106
Reported Net Assets	2,753,496	2,219,281
If the value of the investment was 10% higher than reported	3,028,846	2,441,209

Net Fair Values of Financial Assets and Liabilities

The carrying amounts of financial assets and liabilities approximate fair value. The aggregate net fair value of financial assets and liabilities is presented in the table above. Net fair value of financial assets and liabilities are determined on the following basis:

- Cash, cash equivalents and short-term investments: The carrying amount approximates fair value because of their short term to maturity.
- Receivable and payables: The carrying amount approximates fair value.
- Other financial assets: The fair value is estimated by reference to market values, refer note 2(i).

OLD SCOTCH COLLEGIANS' ASSOCIATION

A.B.N. 98 004 198 403

COUNCILLORS' DECLARATION

In the opinion of the Councillors of the Association:

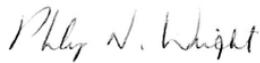
- (a) the accompanying financial statements and notes are in accordance with the Corporations Act 2001, comply with Australian Accounting Standards and give a true and fair view of the Association's financial position as at 30 June 2021 and for the year ended on that date.

- (b) at the date of this declaration, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Councillors.



A A G Wilson
President



P N Wright
Treasurer

26 October 2021

Melbourne

Independent Auditor's Report



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Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Old Scotch Collegians' Association

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Old Scotch Collegians' Association (the Company), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the councillors' declaration.

In our opinion the accompanying financial report of Old Scotch Collegians' Association, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Company's financial position as at 30 June 2021 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Company in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Councillors' Report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

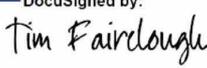
Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

DocuSigned by:

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Tim Fairclough
Director

BDO Audit Pty Ltd

Melbourne, 26 October 2021