



ANNUAL REPORT 2017



www.rawcs.org.au

THE VISION

The vision of RAWCS remains:



To support Australian Rotarians and Rotary Clubs in assisting disadvantaged communities and individuals with humanitarian aid projects.



THE OBJECTIVES

The company objective is to manage the:

Rotary Australia Overseas Aid Fund
Rotary Australia Benevolent Society and
Developed Country Disaster Fund

to enable Rotarians, the public and the corporate sector to deliver humanitarian aid and charitable support through:

Projects
Rotarians Against Malaria
Donations In Kind and
Australian Charitable Support.

Registered Charities:

Entity name:	Australian Business Number (ABN):
Rotary Australia Benevolent Society	54 563 288 318
Rotary Australia Overseas Aid Fund	21 388 376 554
Rotary Australia World Community Service Limited	37 739 341 003

Registered Office: Rotary Down Under House
Level 3, 43 Hunter St, Parramatta NSW 2150
Telephone: +61 2 8833 8317 Email: belinda.griffen@rawcs.org.au
Website: www.rawcs.org.au



CONTENTS

Chairman's Report	2
Financial Report	4
Projects	5
Donations in Kind	8
Rotarians Against Malaria	9
11	Directors' Report
16	Financial Statements
26	Directors' Statement
27	Auditor's Report and Declaration



CHAIRMAN'S REPORT

OVERVIEW

During the past year we have been privileged to assist Rotarians throughout Australia deliver exceptional assistance to the less fortunate, both within local communities and abroad. As a result of mainstream media coverage of numerous RAWCS projects, our efforts have been shared not only with fellow Rotarians but also with the broader public. This has assisted in enhancing the profile and image of Rotary in Australia.

Projects that received particular media attention include:

- The donation of \$1 million by Dick Smith, accessible by Australian Rotary clubs to assist those in need throughout the country.
- The recognition of the work of Stephanie Woollard, a member of Melbourne Rotary Club and a former Peace Scholar. Stephanie's Seven Women project earned her a Rotary Responsible Business Award, presented at the United Nations. She subsequently appeared in newspapers, online media and TV.
- The launch of the Malaria Vaccine Project by His Excellency General Sir Peter Cosgrove AK MC (Retd), a partnership between the Institute for Glycomics at Griffith University and a number of Queensland Rotary Clubs. It is endorsed by Rotarians Against Malaria and utilises RAWCS facilities to raise the funds necessary to progress clinical trials.

- The Soggy Bottom Cardboard Box Boat Regatta in Tasmania, set up by the Rotary Club of Youngtown to fundraise for the purchase of insulin pumps for Tassie kids living with Type 1 Diabetes.

This year was our 52nd year of operation, and in the last year, together we have achieved:

- The delivery of more than \$20 million of humanitarian aid to developing overseas countries;
- Managed over 900 volunteers that made up 136 teams working in 46 different countries;
- Donated and delivered in excess of \$10m in donated goods through Donations in Kind;
- Distributed millions of long-lasting insecticide-treated bed nets in malaria afflicted zones throughout Papua New Guinea, the Solomon Islands and Timor-Leste;
- Provided more than \$2 million for assistance to people in need in Australia.

We are proud of what everyone involved in RAWCS – the volunteers out on projects, Rotarians managing organisation, our staff, committees and board – have achieved together.

STRUCTURAL CHANGES

RAWCS is a major corporation and needs to be managed as such. There have been significant changes at Board level to ensure our operations are sustainable and remain at the highest

standard. Some of the changes include:

- Transitioning from a regionally based business to a nationally driven organisation;
- Eliminating appointments based on geographic location to create a skills-based board; we now have 11 board members including a representative from each of the Governors, Governors elect and Governors nominee;
- Operational work has been transferred to standing committees to administer;
- We have upgraded online support systems to make our website more customer friendly and handle mass traffic. This will allow users to deliver their project in the safe knowledge RAWCS administrative systems are robust.

OUR SERVICES

RAWCS has a number of segments allowing the provision of services in different areas, both overseas and locally. To assist Rotarians, we have introduced three new funds during the year.

“ We are all part of a special team called Rotary, with RAWCS just one part of this team. ”

- The Developed Country Disaster Relief Fund will enable projects in developed countries where a disaster has occurred. This will allow Rotary Clubs and Districts to respond to disasters and establish appeals in a timely manner.

- To facilitate the distribution of Dick Smith's donation, we established the Rotary Australia Compassionate Grants Program (Dick Smith) – which was new territory for RAWCS. We are able to offer Rotary Clubs and Districts grants on a dollar for dollar basis for projects to assist Australians doing it tough.

- Established a Public Ancillary Fund that can be used by all donors seeking a tax deductible charitable donation.

Our other funds and major activities of RAWCS that continue to operate are:

- Rotary Australia Overseas Aid Fund (RAOAF) – facilitating the provision of overseas aid to developing countries focused on supporting sustainable development and relief projects.

- Rotary Australia Benevolent Society (RABS) - enables Australian Rotary clubs to provide assistance to people in need in their local community.

- Donations in Kind - collecting and transporting surplus goods from Australia to where they are needed overseas.

- Rotarians Against Malaria providing and distributing long-lasting insecticide-treated bed nets to prevent the spread of malaria.

SPECIAL THANKS

We are all part of a special team called Rotary, with RAWCS just one part of this team. RAWCS is really just infrastructure facilitating Rotarians to continue their humanitarian efforts – something not always fully understood.



We are pleased Rotary clubs are wisely connecting our facilities with grants they can achieve from The Rotary Foundation to expand their projects and we thank the members of The Rotary Foundation, especially Bruce Allen, for assisting in this regard.

We also thank the members of the Governors train who are on the RAWCS board for their contributions to company matters, as well as keeping their counterparts up to date. We are especially grateful to immediate past governors for their support with the major changes to our constitution passed at our last Annual General Meeting.

This year sees the retirement of Regional

Chair John Roberson who has given extraordinary service to RAWCS over many years. Unfortunately due to family health reasons PDG Lew Pretorius has also resigned after tremendous dedication, particularly in regards to the ROTA homes project in

Fiji. Both John and Lew have put an enormous amount of time and effort into our organisation. On behalf of the Board and the many whom they have assisted, I thank them for their exceptional efforts.

On behalf of the Board, I would further like to recognise all RAWCS volunteers and supporters who give of their time, talent and funds so generously. I also personally thank the Directors, Activity Chairs and management team for the enormous amount of work they have all put in over the past 12 months. The results we have achieved would not have happened without their backing. I would also like to acknowledge the team at Rotary Down Under who have worked hard behind the scenes handling our marketing and a number of public image activities.

Finally, every one of us are indebted to the administration team of RAWCS, headed up by Belinda Griffen, our National Administrator, and Pauline Lane, her main assistant. We cannot thank them enough.



PDG Michael Perkins
Chairman



FINANCIAL REPORT

Each RAWCS fund has achieved a surplus for the year ended 30 June 2017.

RAWCS LTD [Admin]	\$21,422
RAOAF	\$28,072
RABS	\$22,378
DCDF	\$100

The full implementation of the 3% service charge on all RAWCS projects from 1 July 2015 has ensured that each RAWCS entity has achieved a financial surplus for the past two financial years. RAWCS has now attained financial sustainability and continues to provide a timely and highly efficient financial service to each of our 440+ project managers.

Since the 1 July 2015, donations from Rotarians, Rotary Clubs, & Rotary Districts have been exempt from the 3% service charge. These donations represent 70% of RAWCS total donations.

During the past five years, RAWCS has been developing relations with large corporate donors and philanthropic organisations who have been able to take advantage of RAWCS DGR status and project service delivery. These relationships have provided a steady stream of additional service charges to supplement the service charges received from external donors. However, these organisations during the past 18 months have applied and received DGR status from the Commonwealth Government resulting in a dramatic drop in this RAWCS income stream. Total donations to RAWCS have decreased from these

organisations during the year ended 30 June 2017 by \$12,000,000+ compared to previous years.

The financial budget for 2017-18 indicates that there is insufficient income from service charges and investment income to fund its expenditure. The Board have critically examined every line of expenditure and have determined that for RAWCS to continue its high standard of project service delivery, that this budgeted expenditure must be incurred.

To ensure that RAWCS achieves an annual financial surplus, the RAWCS Board has resolved that the current exemption given to Rotarians, Rotary Clubs, & Rotary Districts will finish 30 June 2017.

From the 1 July 2017 the RAWCS Board has resolved that all donations to a RAWCS project will be subject to a service charge of 2.5%. This rate compares favourably with other service charges of 5% to 10% in similar organisations.

Exceptions to the Service Charge are:

- Donations deemed by the RAWCS Ltd Board to be strategic and where it is not in the best interest of RAWCS to deduct the full service charge
- Donations to any project registered to respond to a declared State or National disaster in Australia

This revised service charge rate will ensure RAWCS' long term financial sustainability.

Dick Smith, the philanthropist, donated \$1,000,000 to RAWCS in December 2016. He stated that RAWCS project service delivery systems were his chosen vehicle for these funds to be distributed to disadvantaged people throughout Australia. The disadvantage would have arisen from a medical condition, accident, or violence. Rotary had to match dollar for dollar and the funds would be used to reduce the financial impact of the disadvantage in the lives of affected individuals.

This is the first time RAWCS is able to offer grants to Rotary clubs. A special committee called the Rotary Australia Compassionate Grants [RACG] was formed under the leadership of PP Bob Cleland. Rotary clubs are responding well to the challenge of seeking out the disadvantaged and making submissions to the RACG.

As at 30 June 2017, 24 projects have been approved with \$213,000 being allocated. Whereas Dick Smith required Rotary to match dollar for dollar, the total spend by Rotary clubs is \$1.58 in matching so far.

RAWCS will continue to embrace change to facilitate the highest standard of project service delivery for Australian Rotarians, be it here in Australia or overseas. A sound RAWCS financial position, sustainable into the long term, is fundamental for this, together with the highest standards of corporate governance.

Mike Whitehouse
National Treasurer



PROJECTS



PROJECTS REGISTERED AT 30 JUNE 2017

At 30 June 2017, we have a total of 445 Projects currently registered.

PROJECTS REGISTERED AT 30 JUNE 2017 BY RAWCS REGION				
REGION TOTAL	OVERSEAS AID PROJECTS	BENEVOLENT SOCIETY PROJECTS		TOTAL
		RABS	RACG	
Central	20			20
Eastern	144	16		160
Northern	50	4		54
Southern	123	9		132
Western	36	4		40
National	9	6	24	39
TOTAL	382	39	24	445

Note: All RACG (Rotary Australia Compassionate Grant) Projects are registered as National Projects

PROJECTS BY ROTARY DISTRICT 2016-17

ROTARY DISTRICT	OVERSEAS AID PROJECTS	BENEVOLENT SOCIETY PROJECTS		TOTAL
		RABS	RACG	
9455	26	4	1	31
9465	10		1	11
9500	9		1	10
9520	11			11
9550	3		3	6
9570	7	1		8
9600	12		1	13
9630	9	2	2	13
9640	19	1		20
9650	13	2	3	18
9670	7	3		10
9675	37	1		38
9685	60	8	4	72
9700	17	1	1	19
9710	10	1		11
9780	9	1		10
9790	21	2	1	24
9800	46	2	2	50
9810	31	1		32
9820	3			3
9830	13	4	4	21
TOTALS	382	39	24	445

Note: The red numbers indicate the Rotary Districts that manage the RACG Projects

NUMBER OF PROJECT REGISTRATIONS

This Rotary Year has seen a small increase in the number of Project registrations from 2015-16 due mainly to the introduction of RACG Projects. As noted in the Financial Report, the establishment of their own Private Ancillary Funds by several large Donors has reduced the pool of funds available for RAWCS Projects by about 30% and this has also had an effect on the number of Projects registered.

NEW PROJECT REGISTRATIONS BY YEAR

YEAR	OVERSEAS AID	BENEVOLENT SOCIETY		TOTAL
		RABS	RACG	
2015-16	50	21		71
2016-17	46	20	24	90

ROTARY AUSTRALIA COMPASSIONATE GRANTS

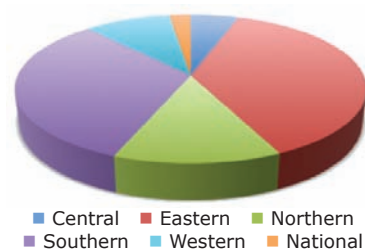
Late in 2016, Dick Smith AC approached RAWCS and offered to donate A\$1m to be distributed on a dollar for dollar basis to disadvantaged individuals or groups in Australia. A RAWCS sub-committee was formed and agreed that these Projects would be a sub-set of the Rotary Australia Benevolent Society (RABS) Projects and would be known as Rotary Australia Compassionate Grants (RACG). The maximum Grant was set at \$10K with the option to be increased to \$15k in exceptional circumstances.

Because of the potential number of Projects involved in a relatively short period, a decision was taken to streamline the approvals process and to make the Project Application a totally online process. This was a first for RAWCS Project applications and, thanks to the great work by Cameron McKern, the RAWCS Database Manager, the process was established in an extremely short time-frame. Only minor changes have been necessary and the process allows for a Project to move from concept to registration in less than two days if necessary.

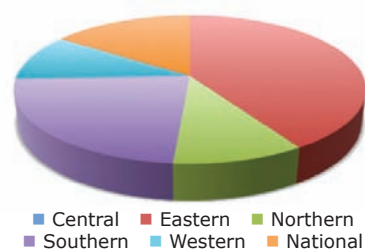
RAWCS ON-LINE PROJECT REGISTRATION

The experience gained with developing the RACG on-line Project Application has demonstrated the value of this process in reducing the Application processing time and associated workload. Development will begin in the first half of Rotary Year 2017-18, of an on-line RABS Project Application. If time and money permits, the Overseas Aid Fund Projects will also be moved to on-line Applications.

OAF PROJECTS BY REGION



RABS PROJECTS BY REGION



ON-LINE PROJECT MANAGER AND TEAM LEADER REPORTS

Minor problems are still being experienced by some Project Managers in submitting the on-line Project Manager and volunteer Team Leader Reports. Changes have recently been made to the Instructions to clarify the requirements but it appears that almost all the difficulties could be overcome if the instructions were read and printed out before the report was started. Changes to the report format to try and make the process easier to understand will be agreed with the Website Committee and Cameron and implemented as soon as time and funds permit.

Despite numerous notifications to DGs, Club Presidents and the Project Managers concerned, a number of RAWCS Projects have been marked as Discontinued because the reports for Jan to Jul16 have not been completed. This has effectively frozen about \$50K in the Project accounts of these Projects. A final attempt will be made to obtain the reports and if they are not forthcoming, a decision will have to be made on the disposition of the funds involved. The administrative workload involved in attempting to obtain the outstanding Reports delayed the despatch of the requests for Project Reports for the period Jul-Dec16 until Apr17. Most of these reports have now been completed and the future report requests will now be despatched in the first two weeks of July and January.

Difficulties were being experienced with the bulk despatch of the Project Report requests because some email systems were treating the emails as Spam. The

system has now been changed and the emails are queued and sent at a rate of about 16 per hour by the Database to overcome this problem. The experience to date has been most encouraging.

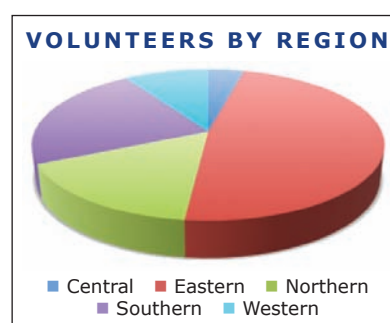
VOLUNTEER TEAMS

RAWCS Volunteer Teams continue to perform sterling work and remain an extremely cost-effective way of providing assistance to Developing Countries. In 2016-17, Volunteer Teams travelled to 46 countries through Southern Africa and the Aisian Continent to our neighbouring countries in the South East Asia and South Pacific Region. The work varied from building construction through training and micro-credit to medical and dental teams.

The on-line processing of Volunteer Team registrations is now progressing smoothly with only a few team members resisting the process. The Regional Volunteer Coordinators are all working well to ensure that any problems are resolved quickly.

VANUATU VOLUNTEER TEAMS

The Government change in Vanuatu following the last elections has resulted in the new Government requiring that all volunteer teams intending to work in Vanuatu obtain the approval of the Government Department concerned for the work being planned. The process agreed to is that a Memorandum of Understanding (MoU), the text of which has been approved, will be signed by the Chairman of RAWCS Limited and the Government of Vanuatu. This MoU requires an Act of Parliament in Vanuatu before it is signed and the document is currently being processed



in Vanuatu. The MoU will simply provide a framework within which RAWCS Projects can be undertaken.

After the MoU has been established, each Rotary Club wishing to undertake a registered RAWCS Project in Vanuatu will submit a Statutory Agreement (SA) to the Government Department concerned in Vanuatu. This SA will specify the Who, What, Where and When of the planned work. Either the Project Manager or the Rotary Club President will sign the SA and, when approved by the Government Department concerned, the SA will act as the authority for the planned work to be undertaken.

In the interim, a list of contacts in the relevant Government Departments has been circulated to all Clubs and Districts that undertake RAWCS Projects in Vanuatu together with the headings of the SA. The first report received indicated that the process was working very well and the team involved was welcomed at the Airport and their entry through Customs and Immigration facilitated by a representative from the Department concerned: much to the chagrin of the incoming tourists.

PP Michael Willis
RAWCS National Project
Manager

REGION	TEAMS	TOTAL VOLUNTEERS	DESTINATION COUNTRIES	DONATION VALUE	WORK VALUE	TOTAL VALUE
Central	8	37	4	\$97,976	\$98,360	\$196,336
Eastern	59	455	10	\$1,098,685	\$1,514,341	\$2,613,026
Northern	24	156	10	\$415,440	\$347,504	\$762,944
Southern	37	215	14	\$542,560	\$1,122,103	\$1,664,663
Western	8	87	5	\$116,700	\$202,800	\$319,500
Totals	136	950	46	\$2,271,361	\$3,285,108	\$5,556,469

DONATIONS IN KIND

The purpose of the Donations in Kind activity of Rotary Australia World Community Service Limited is to take advantage of and collect valuable and useable goods and consumables no longer required in the Australian Health and Education Institutions and distribute them to developing nations and other areas of need.

The program is a resource for Australian Rotary Clubs and other not for profit organisations in providing humanitarian aid by way of goods in kind for their local and off shore projects. Recipient nations include countries of the South Pacific, the African Continent, the Indian sub-Continent, Sri Lanka & Nepal, South East Asia and South America.

The added value to Australia is a saving to our own nation by the reduction in local disposal costs and protecting the environment by reducing landfill.

Donations in Kind has attracted the attention of major suppliers to health and education and the institutions themselves, the opportunities being afforded to the program by major health and education institutions across our



nation are increasing and these organisations and corporate entities are working effectively with Donations in Kind to recycle and distribute these valuable commodities. This includes projects collecting hospital beds, medical equipment and consumables and educational equipment, literacy items and school consumables.

The activity consists of major facilities in Brisbane, Sydney, Melbourne, Geelong Vic, Adelaide and smaller satellite storage areas in Northern Queensland, Hunter Region NSW, Canberra ACT, Illawarra NSW, Albury/Wodonga, Tasmania and Perth WA. The facilities are managed and manned exclusively by volunteers.

The table below highlights the quantities and estimated goods values transhipped to developing nations this year.

The activity is constantly reviewing its operations to take advantage of the increasing volume of valuable goods available, Rotary Australia World Community Service's strategic direction for Donations in Kind is for a national approach to management policies, safety of volunteers, warehousing facilities, stock listings, funding and corporate partnerships.

Keith Roffey
Donations in Kind
National Manager

REGION	VOLUNTEER HOURS	NATIONS	CONTAINERS - 20'	\$ GOODS VALUE
Northern - Qld	4,200	9	35	2.275 million
Eastern - NSW	5,880	9	49	3.185 million
Southern - Vic/Tas	6,480	12	54	3.510 million
Central - SA	1,560	5	13	.845 million
Western - WA	1,200	5	10	.650 million
Total	19,320	40	161	10.465 million



ROTARIANS AGAINST MALARIA

Over the last 15 years great progress has been achieved in the global fight against malaria. In addition to a 62% reduction in the annual death rate since 2000 and a 41% reduction in reported cases, 17 countries have eliminated the disease since 2000. This year has seen steady progress toward the WHO goal of eradicating malaria by 2040 with Sri Lanka and Kyrgyzstan being declared malaria free and declarations for Argentina and Paraguay expected soon. Great progress is also being made in reducing the mortality rate in our near neighbours with a 58% decrease recorded in the western Pacific Region since 2010. Rotarians Against Malaria (RAM) has had an active role in PNG and the Solomons, since 1995 and more recently in Timor Leste, significantly contributing to these results.

In PNG recorded malaria deaths have fallen by 76% since 2009 when RAM

became the principle recipient of the Global Fund PNG malaria grant and now RAM will continue as the sole principle recipient for the next round in 2018. This program has seen RAM distribute more than 9 million bed nets since 2009 and a further 1.2 million nets to households this year plus 180,000 to vulnerable groups. Every household in PNG has received at

“ 2017/18 promises to be an eventful year as Timor Leste pushes toward eliminating malaria, the Chasing Malaria program in PNG is expanded and the Institute for Glycomics moves closer to perfecting a viable vaccine ”

least two allocations and RAM is currently working on the third with universal coverage assured by additional nets allocated by the Against Malaria Foundation.

RAM funds raised in Australia are

employed on the Chasing Malaria Project which is trialling strategies and approaches that will be required to drive malaria rates down to elimination levels in areas of current low malaria incidence. Working closely with the PNG Dept. of Health in the target provinces, RAM ensures accurate record keeping so that all cases are mapped and malaria clusters

are identified for follow-up. Where required, RAM supplies diagnostic test kits and drugs to the clinics as well as bed nets. All positive cases are given a family sized net and all expectant mothers also receive a new net under this program. This year two more container loads of nets were sent to PNG to support this initiative.



Where malaria case clusters are identified, Ross Baibuni (RAM's Manager of Community Based Malaria Control) and his team recruit local volunteers and work with the local schools to teach the students about malaria and mosquito life cycles and to search out all the mosquito breeding sites around the cluster location. Breeding sites are mapped by GPS and regularly checked, when they are active (i.e. contain mosquito

larvae) specific strategies are developed to destroy the larvae. These include draining or filling, introducing fish to eat the larvae or spraying larvacide. Local households are informed of the risk and the presence and use of bed nets is checked.

In the Solomon Islands RAM has continued to support the Healthy Village program run by the Health Promotions Unit of the Ministry of Health, by providing sets of tools to enable villages with approved plans to carry out local earth works and cleaning programs to reduce the incidence of mosquitoes around the village. To date 139 villages have been supported the latest being in Guadalcanal Province and the Russell Islands. RAM also supports PhD candidate, Solomon Islander Edgar Pollard, in researching mosquito movement around villages in order to design modern effective barrier screens.

A team of RAM Rotary volunteers returned from Timor Leste in June with the exciting news that malaria control has been so effective there that the National Malaria Control Program and WHO are now planning to achieve malaria elimination in the next five years and that they value the ongoing support of RAM as a significant partner in this process. The latest bed net distribution is taking place in the Oecusse enclave with 40,000 nets funded by the Global Fund and logistical costs met by RAM.

RAM has also commenced funding the Rotary Club of Dili Lafaek “Healthy Villages” project in Dili and Liquica districts. To date twelve villages have participated in this trial project which encompasses Community health and hygiene awareness training, establishing Community Committees, planning health interventions and building permanent rubbish disposal facilities, aimed at reducing mosquito breeding as well as improving village hygiene.



Back in Australia, RAM has strongly supported RABS project 16-2016-17 aimed at raising sufficient funds to support the next stage of human trials of the promising malaria vaccine candidate PlasProtecT®. The project was launched by Governor General, Sir Peter Cosgrove and Lady Cosgrove at the Institute for Glycomics, Griffith University in March and was attended by over 200 people including many distinguished Rotarians and Academics. This a Rotary Zone wide fund raiser aimed at accelerating the vaccine development with funding of \$500,000. RAM considers that this vaccine could be a game changer in the campaign to eradicate malaria and may provide the key to a future RI supported global immunisation program.

In 2015 it was decided that future annual RAM Conferences should be rotated between Brisbane, Melbourne and Sydney to make it easier for more Rotarians to attend and be inspired by the malaria challenge and RAM’s programs. This year’s conference was held in Melbourne with a strong local attendance and great feedback was received. The 2017 Conference will be held in Sydney at ‘Rowers on Cook’s River’ on 19th and 20th August. Significant research developments, project outcomes and planning sessions will be featured.



Rotaract, through their national malaria project, continues to be both inspiring in their approach and a great support to RAM. Two Rotaractors, Michael Sheilds and Holstein Wong have served on RAM’s Executive Committee this year making strong contributions.

Looking ahead, 2017/18 promises to be an eventful year as Timor Leste pushes toward eliminating malaria, the Chasing Malaria program in PNG is expanded and the Institute for Glycomics moves closer to perfecting a viable vaccine. RAM continues to support field programs in all three countries striving toward malaria elimination and we understand that maintaining active malaria control and awareness is crucial during the all-important elimination phase.

David Pearson
RAM National Manager

ROTARY AUSTRALIA WORLD COMMUNITY SERVICE LTD
ROTARY AUSTRALIA OVERSEAS AID FUND
ROTARY AUSTRALIA BENEVOLENT SOCIETY
ROTARY DISASTER FUND
DIRECTORS' REPORT

Your Directors present their report on Rotary Australia World Community Service Ltd (RAWCS Ltd) for the financial year ended 30 June 2017 including, shown as a separate entities, the Rotary Australia Overseas Aid Fund (RAOAF), Rotary Australian Benevolent Society (RABS) and Developed Countries Disaster Fund. The Directors of RAWCS Ltd, RAOAF and RABS are the same. RAWCS Ltd acts as trustee for both RAOAF and RABS.

Directors

The names of the Directors in office at any time during or since the end of the year are:

PDG Michael Perkins National Chairman	PO Box 305 Orford TAS 7190
PDG Hank De Smit National Secretary	16 Admiralty Road Jindalee WA 6036
PAG Michael Whitehouse National Treasurer	42 Auburn Road Kingston TAS 7050
PDG John McLaren Immediate Past Chairman	26 Rocklands Drive Tiwi NT 0810
PP Michael Willis National Projects Manager	35 Gillard Street Burwood VIC 3125
PDG Jerry Casburn National Operations Manager	1/71 Walkers Rd Somerton Park SA 5044
PDG Keith Roffey National DIK Manager	25 Seidel Avenue Picnic Point NSW 2213
PP Dave Pearson National RAM Manager	714 Green Hills Road Armidale NSW 2350
PDG Lew Pretorius Chairman Southern Region Resigned 30 June 2017	2 Negara Street Norwood TAS 7250
PP John Roberson Chairman Eastern Region Resigned 30 June 2017	PO Box 2511 Ascot QLD 4007
PDG Phil Dempster Chair Northern Region Resigned 30 June 2017	22 Cicero Close Mooroobool QLD 4870

ROTARY AUSTRALIA WORLD COMMUNITY SERVICE LTD
ROTARY AUSTRALIA OVERSEAS AID FUND
ROTARY AUSTRALIA BENEVOLENT SOCIETY
ROTARY DISASTER FUND
DIRECTORS' REPORT (Continued)

Dr Richard Lugg
Chair Western Region
Resigned 30 June 2017

42A Hooson Way
Wilson, WA 6107

DG Tony Bramley
District Governors' Rep
Resigned 30 June 2017

222 River Avenue
Plenty VIC 3090

DGE Robert Tardiani
District Governors' Rep

1/80 Cook Street
North Ward QLD 4810

DGN Ross Carlyle
District Governors' Rep

PO Box 2074
Lower Sandy Bay TAS 7006

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

ROTARY AUSTRALIA WORLD COMMUNITY SERVICE LTD
ROTARY AUSTRALIA OVERSEAS AID FUND
ROTARY AUSTRALIA BENEVOLENT SOCIETY
ROTARY DISASTER FUND
DIRECTORS' REPORT (Continued)

Funds Secretary

The following Rotarian held the position of Funds secretary at the end of the financial year and at the date of this report:

PDG Hank de Smit, 16 Admiralty Road, Jindalee, Western Australia. 6036

Hank joined the Board of Directors as the District Governors' Nominee on the 1st of July 2011 for a period of three years, continued as Chair of Western Region and commenced as Secretary on the 1st of July 2016.

Principal Activities

The principal activities of the entities during the financial year were:

- To coordinate humanitarian projects overseas and in Australia and to create goodwill, peace and understanding in accordance with the objects of Rotary with the active participation of Australian Rotarians and Rotary Clubs.
- To operate the RAOAF and RABS to ensure that money or assets derived by way of tax deductible gifts were used exclusively for the relief of persons in certified developing countries and persons in need within Australia.

Operating Results

The total comprehensive income of RAWCS Ltd for the year amounted to a surplus of \$21,422 (2016: surplus of \$50,537).

The total comprehensive income of RAOAF for the year was a surplus of \$28,072 (2016: surplus of \$72,939). Total donations received in the 2017 financial year amounted to \$19,057,919 and total project expenditure incurred was \$19,023,118.

The total comprehensive income of RABS for the year amounted to a surplus of \$22,378 (2016: surplus of \$12,420).

The total comprehensive income of DCDF for the year amounted to a surplus of \$100 (2016: 0).

Dividend Paid or Recommended

The constitution of the Funds and Government regulations requires that all income and property must be applied solely towards the promotion of the objects of the Funds, which is to provide humanitarian and educational relief for people in certified developing countries, therefore no dividends have been paid or recommended.

Review of Operations

The Trustees review the operations of the Funds on a regular basis and develop guidelines for volunteers in the areas of work place safety, international travel and project support.

Significant Changes in State of Affairs

No significant changes in the Funds' state of affairs have occurred during the financial year.

ROTARY AUSTRALIA WORLD COMMUNITY SERVICE LTD
ROTARY AUSTRALIA OVERSEAS AID FUND
ROTARY AUSTRALIA BENEVOLENT SOCIETY
ROTARY DISASTER FUND
DIRECTORS' REPORT (Continued)

Future Developments

The Funds expects a further increase in the level of donations from Private Ancillary Funds during the following financial year. These donations are likely to broaden the Funds activities and diversify the number of developing countries in which projects are undertaken.

Environmental Issues

The Funds' operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory.

Indemnifying Officers or Auditor

The Funds, its officer bearers and volunteers are covered by a suite of insurance policies grouped under the Rotary National Insurance Programme and re-negotiated on an annual basis by the National Insurance Committee. Premiums are paid by the Rotary Districts in Australia on a per capita basis.

No indemnities have been given or insurance paid, during or since the end of the financial year for any person who is or has been an officer or auditor of the Funds.

Proceedings on Behalf of the Funds

No person has applied for leave of Court to bring proceedings on behalf of the Funds or intervene in any proceedings to which the Funds is a party for the purpose of taking responsibility on behalf of the Funds for all or any part of those proceedings.

The Funds were not a party to any such proceedings during the year.

After Balance Date Events

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

ROTARY AUSTRALIA WORLD COMMUNITY SERVICE LTD
ROTARY AUSTRALIA OVERSEAS AID FUND
ROTARY AUSTRALIA BENEVOLENT SOCIETY
ROTARY DISASTER FUND
DIRECTORS' REPORT (Continued)

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under s 307C of the *Corporations Act 2001* has been included in the financial report.

This Director's report is signed in accordance with a resolution of the Board of Directors:

Director



Chairman

Dated this 22nd day JULY of 2017.

ROTARY AUSTRALIA WORLD COMMUNITY SERVICE LTD
 ROTARY AUSTRALIA OVERSEAS AID FUND
 ROTARY AUSTRALIA BENEVOLENT SOCIETY
 ROTARY DISASTER FUND

STATEMENT OF COMPREHENSIVE INCOME
 FOR YEAR ENDING 30 JUNE 2017

Note	2017				2016			
	RAWCS Ltd	RAOAF	RABS	Disaster Fund	RAWCS Ltd	RAOAF	RABS	Disaster Fund
	\$	\$	\$	\$	\$	\$	\$	\$
REVENUE								
Donation revenue	1,003,535	19,057,919	1,336,008	31,425	-	29,126,269	2,905,566	-
Other revenue	423,607	241,170	189,733	684	433,413	281,113	242,901	-
Unexpended donations bought forward	-	6,936,641	1,680,792	-	-	7,697,629	191,356	-
TOTAL REVENUE	1,427,142	26,235,730	3,206,533	32,109	433,413	37,105,011	3,339,823	-
EXPENDITURE								
Project expenditure	250,000	19,023,118	1,723,977	31,325	-	29,911,112	1,416,779	-
Other expenditure	405,720	213,083	173,855	684	382,876	184,318	230,480	-
Unexpended donations carried forward	750,000	6,971,457	1,286,323	-	-	6,936,642	1,680,144	-
TOTAL EXPENDITURE	1,405,720	26,207,658	3,184,155	32,009	382,876	37,032,072	3,327,403	-
OPERATING SURPLUS	21,422	28,072	22,378	100	50,537	72,939	12,420	-
TOTAL OTHER COMPREHENSIVE INCOME	-	-	-	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME	21,422	28,072	22,378	100	50,537	72,939	12,420	-

ROTARY AUSTRALIA WORLD COMMUNITY SERVICE LTD
 ROTARY AUSTRALIA OVERSEAS AID FUND
 ROTARY AUSTRALIA BENEVOLENT SOCIETY
 ROTARY DISASTER FUND
 BALANCE SHEET
 AS AT 30 JUNE 2017

Note	2017				2016			
	RAWCS Ltd	RAOAF	RABS	Disaster Fund	RAWCS Ltd	RAOAF	RABS	Disaster Fund
	\$	\$	\$	\$	\$	\$	\$	\$
CURRENT ASSETS								
Cash & cash equivalents	93,770	3,100,289	1,455,497	779	125,460	4,417,652	1,705,132	-
Trade & other receivables	88,271	1,364	15,975	-	76,182	18,721	44,161	-
Investments	-	750,000	-	-	-	2,823,157	-	-
TOTAL CURRENT ASSETS	182,041	3,851,653	1,471,472	779	201,642	7,259,530	1,749,293	-
NON-CURRENT ASSETS								
Plant & equipment	3,976	-	-	-	327	-	-	-
Investment	750,000	3,577,209	-	-	-	250,000	-	-
TOTAL NON-CURRENT ASSETS	753,976	3,577,209	-	-	327	250,000	-	-
TOTAL ASSETS	936,017	7,428,862	1,471,472	779	201,969	7,509,530	1,749,293	-
CURRENT LIABILITIES								
Trade & other payables	17,353	7,371	(2,842)	-	54,727	28,012	55,309	-
Unexpended donations	750,000	6,971,457	1,438,744	-	-	6,936,641	1,680,792	-
Provisions	-	271,161	-	-	-	394,076	-	-
TOTAL CURRENT LIABILITIES	767,353	7,249,989	1,435,902	-	54,727	7,358,729	1,736,101	-
TOTAL LIABILITIES	767,353	7,249,989	1,435,902	-	54,727	7,358,729	1,736,101	-

ROTARY AUSTRALIA WORLD COMMUNITY SERVICE LTD
 ROTARY AUSTRALIA OVERSEAS AID FUND
 ROTARY AUSTRALIA BENEVOLENT SOCIETY
 ROTARY DISASTER FUND
 BALANCE SHEET
 AS AT 30 JUNE 2017

Note	2017					2016						
	RAWCS Ltd	RAOAF	RABS	Disaster Fund	RAWCS Ltd	RAOAF	RABS	Disaster Fund	RAWCS Ltd	RAOAF	RABS	Disaster Fund
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
NET ASSETS	<u>168,664</u>	<u>178,873</u>	<u>35,570</u>	<u>779</u>	<u>147,242</u>	<u>150,801</u>	<u>13,192</u>	-	<u>147,242</u>	<u>150,801</u>	<u>13,192</u>	-
EQUITY												
Retained earnings	4 <u>168,664</u>	<u>178,873</u>	<u>35,570</u>	<u>779</u>	<u>147,242</u>	<u>150,801</u>	<u>13,192</u>	-	<u>147,242</u>	<u>150,801</u>	<u>13,192</u>	-
TOTAL EQUITY	<u>168,664</u>	<u>178,873</u>	<u>35,570</u>	<u>779</u>	<u>147,242</u>	<u>150,801</u>	<u>13,192</u>	-	<u>147,242</u>	<u>150,801</u>	<u>13,192</u>	-

ROTARY AUSTRALIA WORLD COMMUNITY SERVICE LTD
 ROTARY AUSTRALIA OVERSEAS AID FUND
 ROTARY AUSTRALIA BENEVOLENT SOCIETY
 ROTARY DISASTER FUND
 STATEMENT OF CASHFLOWS
 AS AT 30 JUNE 2017

	2017					2016						
	RAWCS Ltd	RAOAF	RABS	Disaster Fund	RAWCS Ltd	RAOAF	RABS	Disaster Fund	RAWCS Ltd	RAOAF	RABS	Disaster Fund
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES												
Receipts from donors	1,003,535	19,057,919	1,336,008	31,425	-	29,126,269	2,906,214	-	-	-	-	-
Payments to suppliers	(690,779)	(19,379,757)	(1,803,562)	(32,009)	(688,691)	(30,229,365)	(1,595,250)	-	-	-	-	-
Interest received	174,189	16,410	11,081	-	116,284	30,038	11,932	-	-	-	-	-
Other revenue	237,329	242,117	206,838	684	567,499	232,354	201,635	-	-	-	-	-
Net Cash provided by (used in) Operating Activities	724,274	(63,311)	(249,635)	100	(4,908)	(840,704)	1,524,531	(4,908)	(840,704)	(913,861)	1,524,531	-
CASH FLOWS FROM INVESTING ACTIVITIES												
Payments for property plant & equipment	(5,964)	-	-	-	(1,927)	-	-	-	-	-	-	-
Purchase of financial assets	(750,000)	(1,254,052)	-	-	-	(73,157)	-	-	-	-	-	-
Net Cash provided by (used in) Investing activities	(755,964)	(1,254,052)	-	-	(1,927)	(73,157)	-	-	(73,157)	(73,157)	-	-
Net Increase/(Decrease) in Cash Held	(31,690)	(1,317,363)	(249,635)	100	(6,835)	(913,861)	1,524,531	100	(6,835)	(913,861)	1,524,531	-
Cash at the Beginning of the Year	125,460	4,417,652	1,705,132	679	132,295	5,331,531	180,601	679	132,295	5,331,531	180,601	-
CASH AT THE END OF THE YEAR	93,770	3,100,289	1,455,497	779	125,460	4,417,652	1,705,132	779	125,460	4,417,652	1,705,132	-

Note

ROTARY AUSTRALIA WORLD COMMUNITY SERVICE LTD
ROTARY AUSTRALIA OVERSEAS AID FUND
ROTARY AUSTRALIA BENEVOLENT SOCIETY
ROTARY DISASTER FUND
NOTES TO FINANCIAL STATEMENTS
AS AT 30 JUNE 2017

NOTE 1: STATEMENT OF ACCOUNTING POLICIES

The Directors have prepared the financial statements on the basis that the Funds are non-reporting entities because there are no users dependent on general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the *Corporations Act 2001*. The Funds are not-for-profit entities for financial reporting purposes under Australian Accounting Standards.

The Directors have decided to report the four Funds in one set of financial statements as they have determined it gives a more appropriate view of the undertakings of Rotary's Humanitarian operations to the readers of the financial statements. The Directors are the same for all entities.

The Disaster Fund commenced in July 2016.

With the exception of Note 1(a) and the presentation of four accounts, in all other aspects the financial statements have been prepared in accordance with the recognition and measurement criteria of the mandatory Australian Accounting Standards applicable to entities reporting under the *Corporations Act 2001* and the significant accounting policies disclosed below, which the Directors have determined are appropriate to meet the needs of members.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical cost unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

(a) Cash & Cash Equivalents

Cash and cash equivalents include cash on hand, deposits at call with banks with an original maturity of three months or less that are readily converted to known amounts of cash and are subject to an insignificant risk of changes in values.

Included in the cash and cash equivalents balance in RAOAF is the foreign currency account opened in the 2013 financial year. This bank account is expressed in Australian dollars, converted from United States dollars using the currency rates applied at the time of initial purchase. No adjusting entry has been made to record the movement in fair value created by the fluctuation in the currency rate at balance date, as it is expected this bank account will be only be utilised to complete purchases in US dollars.

(b) Unexpended Donations

The unexpended donations liability relates to donations received during the financial year, but not expended by the end of the financial year. Due to the nature of the Funds these donations are not considered as a surplus for the Funds, but rather a liability that the Funds are committed to spend on the projects in the following year.

ROTARY AUSTRALIA WORLD COMMUNITY SERVICE LTD
ROTARY AUSTRALIA OVERSEAS AID FUND
ROTARY AUSTRALIA BENEVOLENT SOCIETY
ROTARY DISASTER FUND
NOTES TO FINANCIAL STATEMENTS
AS AT 30 JUNE 2017

NOTE 1: STATEMENT OF ACCOUNTING POLICIES (Continued)

(c) Plant and Equipment

Plant and equipment is measured on a cost basis less depreciation and any impairment losses.

The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

In the event the carrying amount of plant and equipment is greater than the recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present.

The depreciable amount of plant and equipment is calculated on a straight line basis over the asset's useful life to the entity from the time the asset is held ready for use. The depreciation rates used for all items of plant and equipment are between 10-40%, which is consistent with the prior year. The asset's residual values and useful lives are reviewed, and adjusted if appropriate the end of each reporting period.

(d) Provisions

Provisions are recognised when the entities have a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(e) Trade and Other Receivables

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

(f) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the entities during the reporting period which remain unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

ROTARY AUSTRALIA WORLD COMMUNITY SERVICE LTD
ROTARY AUSTRALIA OVERSEAS AID FUND
ROTARY AUSTRALIA BENEVOLENT SOCIETY
ROTARY DISASTER FUND
NOTES TO FINANCIAL STATEMENTS
AS AT 30 JUNE 2017

NOTE 1: STATEMENT OF ACCOUNTING POLICIES (Continued)

(g) Revenue

Revenue from donations, gifts and fundraising are recognised upon receipt from donors.

Interest revenue is recognised as it accrues using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Service fees are recognised upon receipts from donors. Rotary Australia World Community Service LTD collects a monthly administration fee from the other entities to aid in the running of the organisation.

(h) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST is not recoverable from the Australian Taxation Office (ATO), in which case the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the balance sheet.

(i) Income Tax

No provision for income tax has been raised as the entity is exempt from tax under Division 50 of the *Income Tax Assessment Act 1997*.

(j) Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

ROTARY AUSTRALIA WORLD COMMUNITY SERVICE LTD
 ROTARY AUSTRALIA OVERSEAS AID FUND
 ROTARY AUSTRALIA BENEVOLENT SOCIETY
 ROTARY DISASTER FUND
 NOTES TO FINANCIAL STATEMENTS
 AS AT 30 JUNE 2017

Note	2017				2016			
	RAWCS Ltd	RAOAF \$	RABS \$	Disaster Fund \$	RAWCS Ltd \$	RAOAF \$	RABS \$	Disaster Fund \$
NOTE 2: OTHER REVENUE								
	174,189	16,410	11,081	-	116,284	30,038	11,932	-
Interest received	41,754	207,055	11,893	-	115,150	249,776	-	-
Service fee	195,000	-	166,759	684	180,000	-	229,969	-
Administration fee	12,664	17,705	-	-	21,979	1,299	1,000	-
Other income	<u>423,607</u>	<u>241,170</u>	<u>189,733</u>	<u>684</u>	<u>433,413</u>	<u>281,113</u>	<u>242,901</u>	<u>-</u>
Total Other Revenue								
NOTE 3: PLANT & EQUIPMENT								
	53,804	-	-	-	47,840	-	-	-
Plant & equipment at cost	(49,828)	-	-	-	(47,513)	-	-	-
Accumulated depreciation	<u>3,976</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>327</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Plant & Equipment								
	327	-	-	-	-	-	-	-
Opening written down value	5,964	-	-	-	1,927	-	-	-
Additions	(2,315)	-	-	-	(1,600)	-	-	-
Depreciation	<u>3,976</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>327</u>	<u>-</u>	<u>-</u>	<u>-</u>
Closing Written Down Value								

ROTARY AUSTRALIA WORLD COMMUNITY SERVICE LTD
 ROTARY AUSTRALIA OVERSEAS AID FUND
 ROTARY AUSTRALIA BENEVOLENT SOCIETY
 ROTARY DISASTER FUND

NOTES TO FINANCIAL STATEMENTS
 AS AT 30 JUNE 2017

Note	2017					2016				
	RAWCS Ltd	RAOAF	RABS	Disaster Fund		RAWCS Ltd	RAOAF	RABS	Disaster Fund	
	\$	\$	\$	\$		\$	\$	\$	\$	\$
NOTE 4: RETAINED EARNINGS										
Opening retained earnings	147,242	150,801	13,192	-	96,705	137,862	772	-	-	-
Sanderson trust	-	-	-	-	-	(60,000)	-	-	-	-
Retained earnings transfers	-	-	-	679	-	-	-	-	-	-
Operating surplus/(deficit) for the Year	21,422	28,072	22,378	100	50,537	72,939	12,420	-	-	-
Closing Retained Earnings	168,664	178,873	35,570	779	147,242	150,801	13,192	-	-	-

ROTARY AUSTRALIA WORLD COMMUNITY SERVICE LTD
ROTARY AUSTRALIA OVERSEAS AID FUND
ROTARY AUSTRALIA BENEVOLENT SOCIETY
ROTARY DISASTER FUND
NOTES TO FINANCIAL STATEMENTS
AS AT 30 JUNE 2017

NOTE 4: ENTITY DETAILS

The registered office of the Funds are:

Rotary Australia World Community Service Ltd
Level 3, 43 Hunter Street
Parramatta NSW 2150

The principal place of business is:

The entities operate through five Regional Committees around Australia. These Committees report to the Board of Directors in relation to activities on a quarterly basis and financially on an annual basis. The principal place of business is at the address of the Registered Office.

ROTARY AUSTRALIA WORLD COMMUNITY SERVICE LTD
ROTARY AUSTRALIA OVERSEAS AID FUND
ROTARY AUSTRALIA BENEVOLENT SOCIETY
ROTARY DISASTER FUND
NOTES TO FINANCIAL STATEMENTS
AS AT 30 JUNE 2017

The Directors have determined that the entities are not reporting entities and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The Directors of the Funds declare that:

1. The financial statements and notes present fairly the entities' financial position as at 30 June 2017 and their performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements; and
2. In the Directors' opinion there are reasonable grounds to believe that the entities will be able to pay their debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors:

Director:



Chairman

Dated this *22* day *JULY* of 2017.

Independent auditor's report to the members of Rotary Australia World Community Service Ltd and Rotary Australia Overseas Aid Fund, Rotary Australia Benevolent Society and Rotary Disaster Fund

Opinion

We have audited the financial report of Rotary Australia World Community Service Ltd, Rotary Australia Overseas Aid Fund, Rotary Australia Benevolent Society and Rotary Disaster Fund (the Companies) which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Rotary Australia World Community Service Ltd, Rotary Australia Overseas Aid Fund, Rotary Australia Benevolent Society and Rotary Disaster Fund, is in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the Companies' financial position as at 30 June 2017 and of its financial performance for the year then ended; and
- (b) 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 auditor independence requirements of 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 (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 Companies, 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 comprises the information included in the Companies' annual report for the year ended 30 June 2017, 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, 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 Companies 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 Companies' 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 Companies or to cease operations, or have 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



JOANNE DOYLE

Partner

WISE LORD & FERGUSON

Date: 25 July 2017

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

ROTARY AUSTRALIA WORLD COMMUNITY SERVICE LTD
ABN 37 739 341 003

ROTARY AUSTRALIA OVERSEAS AID FUND
ABN 21 388 376 554

ROTARY AUSTRALIA BENEVOLENT SOCIETY
ABN 54 563 288 318

AND

ROTARY DISASTER FUND
ABN 24 106 046 997

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2017 there have been no contraventions of the auditor independence requirements of the *Corporation Act 2001* or any applicable code of professional conduct in relation to the audit of the abovementioned entities.



JOANNE DOYLE
Partner
WISE LORD & FERGUSON

22 Jun 2017



Rotary



ROTARY AUSTRALIA
WORLD COMMUNITY
SERVICE