



SMSA
SYDNEY MECHANICS'
SCHOOL OF ARTS EST 1833

MAKING A DIFFERENCE THROUGH LEARNING

ANNUAL REPORT
AND AUDITED ACCOUNTS
FOR THE YEAR
1 JANUARY–31 DECEMBER 2015

PART I ANNUAL REPORT

The 2015 Annual Report has been
prepared by Staff and Directors.

CONTENTS

PART I ANNUAL REPORT

CHARTER OF THE SYDNEY MECHANICS' SCHOOL OF ARTS	2
FROM THE PRESIDENT	3
ABOUT THE SMSA	4
Our History	4
Our Patron.	7
MINUTES	8
Minutes of the Annual General Meeting held Tuesday, 10th March 2015.	8
THE BOARD	11
The Board of Directors for 2015.	11
Committees of the Board.	13
OPERATIONS	15
Staff as at 31 st December 2015	15
Membership.	16
The Library and Tom Keneally Centre	18
Public Program (Talks and Events)	20
SMSA Highlights	22
Building Management	24
Venue Hire.	25
Governance	25
Grants, Donations and Prizes	26
TREASURER'S REPORT	28
PART II FINANCIAL STATEMENTS 31 DECEMBER 2015	
Statement by Members of the Board	31
Auditor's Declaration.	32
Independent Auditor's Report	33
Audited Accounts	35
Notes to the Financial Statements	40
IMAGE CREDITS	45

CHARTER OF THE SYDNEY MECHANICS' SCHOOL OF ARTS

A certain Literary Society or Institution was established in Sydney in the year 1833 under the name and style of the **Sydney Mechanics' School of Arts**, the objects being the intellectual improvement of its members and the cultivation of literature, science and art.

The objects of the said Institution shall be promoted by the maintenance of a library and reading room, the delivery of lectures, the encouragement of social, intellectual and physical recreation, and such other means as the Board may from time to time deem advisable.

The Sydney Mechanics' School of Arts will continue to carry out these objectives and expand them to meet the needs of today and the future by the following means; it will:

- operate a centrally situated library and reading room;
- hold lectures, seminars and workshops on issues of current affairs, literature, science and the arts, and publish papers and interviews arising from these activities;
- provide a venue for educational and cultural activities; and
- assist groups which support or engage in educational activities or supplement education with cultural and natural history experience.

FROM THE PRESIDENT

2015 was an exciting year for the SMSA and 2016 promises to be even better.

The opening of the Members' Coffee area in the library has provided a place where members can socialise and meet other like-minded people while enjoying a coffee, tea, or hot chocolate. Even better, it is free and almost fool proof. Anybody who has not tried it out is very welcome to do so.

Other improvements and initiatives, either commenced or in the planning stage, include:

- A wider range of topics and speakers for our talks;
- New computers being installed;
- Upgrade of both hardware and software;
- Governance training for Directors;
- Recruitment of more volunteers to assist in the library and the Tom Keneally Centre;
- Speaking to community groups such as Probus and Historical Societies to promote SMSA; and
- The issue of Membership Cards so that members can more easily access services.

Our usual activities have, of course, continued unabated. The Tom Keneally Centre remains a focal point of our activities and we appreciate the time and effort that Tom Keneally puts into the Centre to make it such a success. Far from an ivory tower, the Tom Keneally Centre is very much a living library. It's open to everyone to visit and members can borrow from its collection. We are also very excited that Tom has begun to write notes for each book about its significance to him.

In 2015, grants were approved for the Australian Seniors Computer Club Association (ASCCA), the Dictionary of Sydney, the Julian Ashton Art School, the National Council of Women (NSW), the Pyjama Foundation, Clifton School of Arts and the Footpath Library. Further grants are under consideration for early 2016.

We were fortunate to recruit Brian Johnston in 2015 as our new Secretary. Brian has had an extensive career within the health, social care and not-for-profit sectors, and recently had been operating his own consultancy business with a broad focus across corporate governance and strategic management issues. He is a Fellow at a number of organisations including the Australian Institute of Company Directors and the Australian Institute of Management and he is a Visiting Fellow at Macquarie University.


I would also like to thank the outgoing Secretary, Grahame Marks, and recognise his contribution. In his five years with the SMSA, Grahame placed significant emphasis on improving the School's financial position and its relationship with our tenants. We wish him well in his future endeavours.

Much of what we achieve is because of the ongoing efforts of our loyal and hardworking volunteers who donate their time to the SMSA and Winsome Allen, their coordinator, who has also volunteered to speak about the SMSA to various groups.

And of course, none of it would occur at all without you, our members, who together form the Sydney Mechanics' School of Arts. Your support of the School is greatly appreciated, whether you have been a member for decades or have recently discovered us.

I would like to extend thanks to our team of staff who take care of the day-to-day operations of the SMSA. Their dedication and hard work is appreciated by all.

Finally, I would like to thank my fellow Board Members for their service and commitment to the School. One director who deserves special mention is Tom Thorburn who is now our longest-standing member. Further congratulations are in order as his wife, Norma, was recently awarded a Medal of the Order of Australia in the 2016 Australia Day Honours List.



Denis Mockler
President

ABOUT THE SMSA

OUR HISTORY


"You cannot do better than join this Library—A Family's Reading for the price of a Book."
 Reading is the Cheapest Form of Entertainment and the Pleasure is lasting.

Sydney School of Arts Lending Library and Reading Rooms
275c PITT STREET, SYDNEY (Opposite the Liberty Theatre). Phone MA 4257.

The largest and most popular Public Library and Reading Room in the State which has been supplying thousands of homes with all the latest and best reading.

Arrangements have been made with all publishers to forward their publications immediately they are issued, and are available to all members. As one or more members of a family come to the City daily, thus making the exchange of books convenient to all, the library is situated in the heart of the City, and is open from 8.45 a.m. till 8 p.m. (Sundays and Holidays excepted).

The Subscriptions meet the requirements of all readers. For the Lending Library only it is 6/- per quarter for the issue of 2 books (1 new) exchange daily, which is less than a penny a day. The Reading Room contains all the principal newspapers and current issues of magazines, journals and general literature; also Smoking Room which gives all the facilities of a Club, and is open from 8.30 a.m. till 10 p.m. (Monday to Saturday) and Sundays from 2 p.m. till 10 p.m.



LIBRARY

SUBSCRIPTION RATES


SPECIALLY FOR LADIES:
 Comfortable Lounges, Fashion Journals, Newspapers, etc. Particular Concessions for Reading and Toilet when in the City.
 MEMBERS ARE REQUESTED to draw their friends' attention to the facilities offered by the Institution.

SUBSCRIPTION:

FTELL MEMBERS:		Lending Library Only	
DELIVERABLES			
Form 2	Form 2	Form 2	Form 2
11 New	11 New	11 New	11 New
Yearly	£1 2 0	£1 7 6	£1 2 0
Half-Yearly	0 10 0	0 10 0	0 10 0
Quarterly	0 5 0	0 5 0	0 5 0
Monthly	0 2 6	0 2 6	0 2 6

WEEKLY (for Reading Room only), 1/6. Daily, 4d.
 Wives, Unmarried Daughters and Sisters of Yearly, Half-Yearly and Quarterly Members—Reduced Rates.

24/- Yearly, 15/- Half-Yearly, 7/6 Quarterly.
 Special issue for Country Membership.



READING ROOM

(IS THERE A BETTER GIFT FOR ANY OCCASION THAN A SUBSCRIPTION TO THIS LIBRARY?)

We would refer you to our Bookmark attached of the latest books.

The Sydney Mechanics' School of Arts (SMSA) was founded in 1833 with the objective of the intellectual improvement of its members and the cultivation of literature, science and the arts.

A significant part of Sydney's history

Founded in 1833, SMSA is the oldest operating School of Arts and has the longest-running lending library in Australia. Since colonial times, the Sydney Mechanics' School of Arts has made a major contribution to Sydney's culture, industry, society and politics.

In 2013, the Board commissioned *Sydney Mechanics' School of Arts: A History*, written by historian Garry Wotherspoon to commemorate the 180th anniversary that year. It is a beautifully illustrated volume that reveals how and why SMSA was established and tells many fascinating stories about the people and events in our past. It was shortlisted for the NSW Premier's History Awards in 2014.

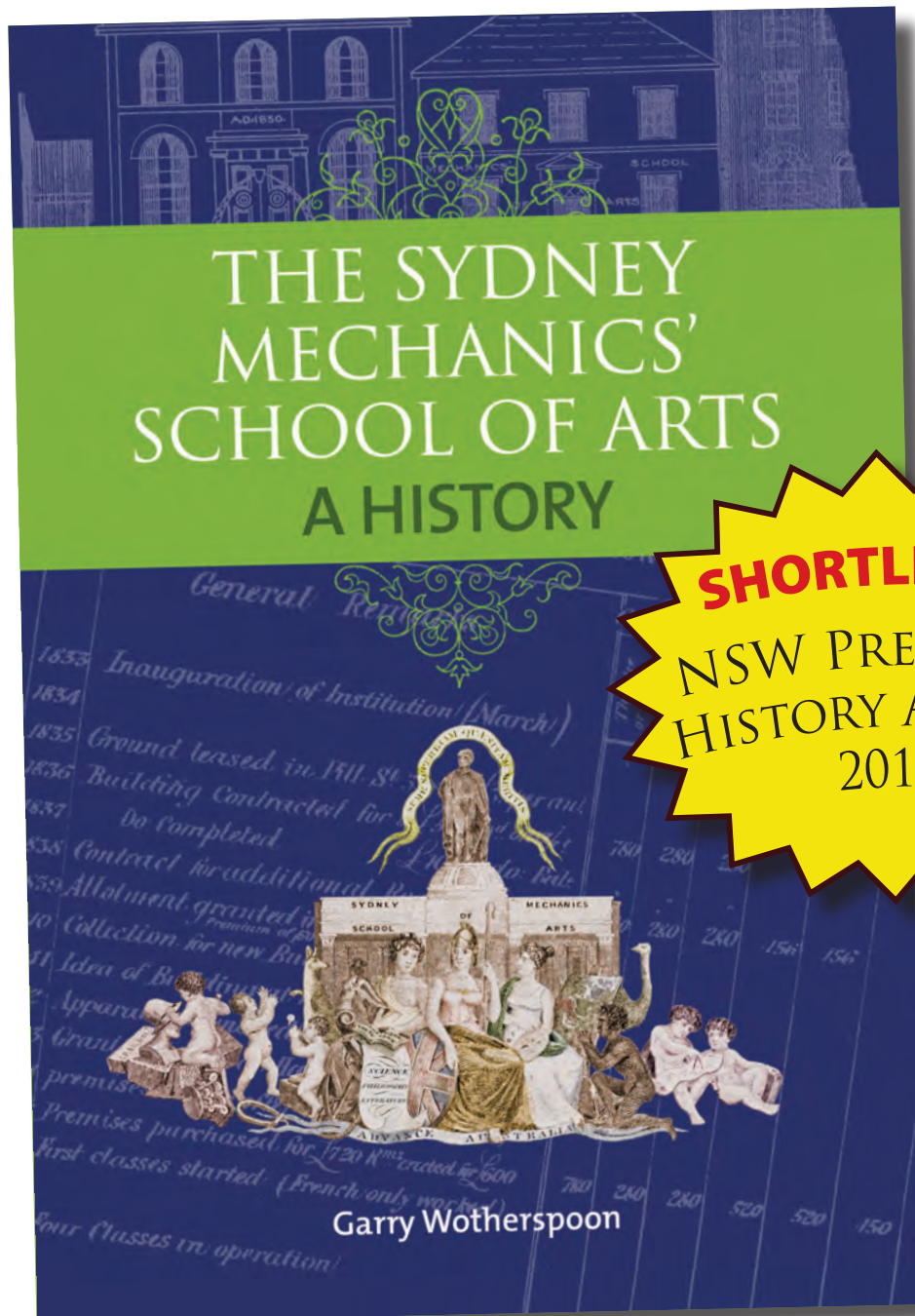
Our Beginnings

In 1833, the Sydney Mechanics' School of Arts was founded at the request of artisans and tradesmen who had studied with Henry Carmichael aboard the *Stirling Castle* on their voyage to Sydney. Carmichael drew on the model of the burgeoning Mechanics' Institutes and Schools of Arts movement—and with the enthusiastic support of Governor Bourke who became our first patron—his efforts resulted in the Sydney Mechanics' School of Arts being formed on 22nd March 1833 at a public meeting attended by around 200 people.

SMSA's Historical Significance

Right from its founding in March 1833, the Sydney Mechanics' School of Arts was the leading provider of adult education in the colony, running a lending library, conducting classes and holding lectures on everything from phrenology to chemistry and the poems of Lord

**Discover SMSA's important role in Sydney's cultural life
— from colonial times to the present day —
and read entertaining stories from our 180 year history.**



SHORTLISTED
NSW PREMIER'S
HISTORY AWARDS
2014

**Available for purchase from the SMSA Library or order via library@smsa.org.au
Members \$10 / Non-Members \$20 / Shipping \$10**



Sydney Mechanics' School of Arts: A History was generously supported by the City of Sydney's History Publication Sponsorship Program.

Byron. There were even classes on 'Simple Surgery'! The SMSA quickly became the centre of colonial Sydney's intellectual, cultural and political life.

Filling a vital niche in adult and vocational education, the SMSA made a major contribution to the colony's economic development by providing the first technical education in Australia for trades in 1865 and establishing the Working Men's College in 1878. These technical classes were so successful that the School negotiated their transfer to the colonial Government in 1883, forming the precursor to TAFE as we know it today and, ultimately, to both the University of New South Wales and the University of Technology, Sydney.

Famous Members

The Surveyor-General, Major Thomas Mitchell, was the SMSA's Founding President and many other prominent citizens of Sydney have been members, including explorer Ludwig Leichhardt; journalist and activist for women's rights Louisa Lawson; poets Henry Lawson and Henry Kendall; Federationist Sir Henry Parkes and many other political and cultural leaders.

SMSA's Debating Club discussed the 'hot' issues of relevance to the time, and the debates were widely reported in Sydney's journals including the Sydney Morning Herald. Members who participated in these debates included future NSW Premier William Holman, and Prime Ministers Edmund Barton, George Reid and Billy Hughes, as well as leading figures in the Federation and suffrage movements.



When Edmund Barton, a former member of the SMSA who had been prominent in the Debating Club, was appointed Australia's first Prime Minister, it enhanced the School's prestige.

As a young man, Billy Hughes valued the educational opportunities afforded to him by the School so much that he went without meals and wore threadbare clothing so he could raise funds to join. He later recalled, the 'great awakening' that had prompted him to politics was 'a bit highbrow and smelling of the lamp' — using the School's library at night.

Women in the SMSA

The first women were admitted as members in August 1833 — just 5 months after the School's founding — and women's names appear in class rolls from the 1860s, providing an alternative for women who were disenfranchised from traditional education. In 1891, Louisa Lawson broke a significant glass ceiling when she overcame opposition to become the first woman in the SMSA's Debating Club, and more women quickly followed. She later went on to become the first woman on the Management Committee in 1893.

The SMSA Today

Today, the School continues to operate the longest-running lending library in Australia and a robust public program of talks, readings, seminars and screenings which are free and open to both members and the general public. The School also opened the Tom Keneally Centre in 2011, forming Thomas Keneally's living legacy to Australia and a venue for literary activities such as writing classes, readings and author talks. The SMSA's venue hire floor boasts a large theatre as well as flexible and affordable meeting rooms that can be configured according to the needs of the hirer.

The SMSA also continues to contribute to the local community through grants and donations to worthy organisations, and endowments to University of Western Sydney, University of Technology, Sydney and University of Sydney. Through other activities, the School also supports a broad range of Not-For-Profit and community organisations in the local Sydney region.

Written with reference to:

***Sydney Mechanics' School of Arts: A History* by Garry Wotherspoon, 2013.**

OUR PATRON

The history of our Patronage

Governor Bourke was an enthusiastic supporter of the Sydney Mechanics' School of Arts from its earliest stages. In fact, one of the first orders of business of the newly formed School was to thank the Governor formally for his 'kindly interest' and ask him to become our first Patron (The Sydney Herald, Monday, 25 March 1833, page 2).

The SMSA continued to enjoy the unbroken patronage of successive Governors of New South Wales until 1935 when Air Vice-Marshal Sir Philip Game GB GCVO GCB KCMG DSO ceased to be Governor.

In 2008, the Governor of the time, Professor The Honourable Dame Marie Bashir AD CVO kindly consented to become Patron in honour of the Sydney Mechanics' School of Arts 175th anniversary. This renewal of Vice Regal Patronage took place after a gap of 53 years.

Our Current Patron

In 2014, His Excellency General The Honourable David Hurley AC DSC (Ret'd), Governor of New South Wales kindly consented to become the Patron of the Sydney Mechanics' School of Arts.

Prior to his appointment as Governor, His Excellency served for 42 years in the Australian Army, concluding his service as the Chief of the Defence Force. His Excellency was awarded a Companion of the Order of Australia in 2010 for eminent service to the Australian Defence Force, and a Distinguished Service Cross for his leadership during Operation SOLACE in Somalia in 1993.

We are honoured and delighted that His Excellency the Governor has continued the Vice Regal Patronage of our historic School and wish him well in his tenure.



The SMSA's patron, His Excellency General The Honourable David Hurley AC DSC (Ret'd), Governor of New South Wales.

MINUTES

MINUTES OF THE ANNUAL GENERAL MEETING HELD TUESDAY, 10TH MARCH 2015.

Present

Winsome Allen	Warwick McDonald
Nola Barkl	Denis Mockler
Frances Barton	Sonia Myers
Diana Berlyn	Michael S. Newman
Nola Bramble	Carole O'Brien
Marilyn Bryce	Michael Packer
Andrew X. Carr	Bruce Peters
Barbara Carrard	Jean Peters
Cecile Cornford	Eunice Phillips
Alan Creighton	Peter Phillips
Gwen Crowe-Mai	Peter Rainey
Valerie Davidson	Claire Raffan
Alan Dawson	Win Ramdas
Philip Drew	Noelene Rannard
Peter B. Fischer	Margaret Rapsey
Elizabeth Fletcher	Kilmeny C. Reed
Kay Godfrey	Phillip Reed
Lionel Green	Paul Reid
Shirley Hunt	John Michael Robinson
Avril Ingram	Reinhard Ronnebeck
Diane M. Isler	Sunflower Seagull
Marilyn Jenner	Eugene Stawski
Michael Johnston	Robert Sweica
Colin Kay	Kay Templeton
Narelle Kay	Thomas Thorburn
Wendy Kaye	Janet M. Timberg
John Leonard	Geoffrey Webb
Reginald Lobb	Nathan Whiteman
Astrid Lodens	Victoria Whiteman
John Masters-Brown	Maxwell J. Williams
Jennifer-Robyn Mattock	Garry Wotherspoon

Observers (non-voting)

Rae Colman	Marlene Smith
Philip Daley	Joan Warner
Thomas Keneally	

Also in attendance

Ben Hodgkinson	Representing Auditors, Manser, Tierney & Johnston
Grahame Marks	Secretary (staff)
Melanie Ryan	Returning Officer (staff)
Wendy Man	Returning Officer (staff)
Alan Reade	Observer (staff)
Venetia Miller	Observer (staff)

1. Welcome

President Paul Reid opened the meeting at 12.00 noon and acknowledged the traditional owners of the land on which the meeting was held, the Gadigal people of the Eora Nation, and their elders past and present.

2. Reading of Convening Notice

The Secretary Grahame Marks welcomed attendees and provided safety instructions for the meeting. The Secretary then provided some guidelines on the conduct of the meeting prior to the reading of the convening notice.

2. Apologies

The President received apologies from:

Peter Bartos	Sue Gillies
Dorothy Boyd	Janine Kitson
George Carrard	Mary Mack
Ginette Carrard	Christina Maloney
Naomi Carrard	Mary Mockler
Peter Clancy	Pamela Neville
Joyce Craig	Norma Thorburn
Glenda Gartrell	Sue Webb
Richard Gartrell	

It was moved that the Apologies be accepted.

*Proposed John Robinson
Seconded Win Ramdas
Carried on a show of hands.*

3. Appointment of Returning Officers

Melanie Ryan and Wendy Man were appointed Returning Officers with Ben Hodgkinson from Manser Tierney and Johnston appointed as scrutineer.

4. Elections

The Secretary advised that there was one nomination for President, Denis Mockler.

Michael Johnston referred to the SMSA By-Laws and raised a question regarding the eligibility of a former SMSA staff member who was a candidate for Director at today's AGM. Denis Mockler as Chairman of the SMSA Governance committee acknowledged a potential conflict in the By-Laws between Clause 2.3 and 4(e) and ruled that the nomination was valid as the most recent amendment to the By-Laws permitted the candidate to stand.

The ballot for Directors was then conducted and the Returning Officers left the room with the Scrutineer to count the votes.

5. Minutes of the Annual General Meeting held on Tuesday, 11th March 2014

Merilyn Bryce advised the meeting that she was present at the 2014 AGM. It was agreed that the minutes would be amended accordingly.

It was moved that the minutes of the previous Annual General Meeting held on Tuesday, 24 March 2013 be accepted.

Moved Tom Thorburn
 Seconded Colin Kay
 Carried on a show of hands.

6. President's Address

Paul Reid presented his final address to the members as President, acknowledging the contribution of retiring Board member Alan Creighton.

Mr Reid spoke about the popularity of the SMSA events program, and the introduction of eBooks, audiobooks and eMagazines. He also advised the meeting that the SMSA history book authored by Garry Wotherspoon was soon to be available in an electronic format for members. He also informed the meeting that His Excellency General The Honourable David Hurley AC DSC (Ret'd), Governor of New South Wales had consented to become the new patron of the SMSA following the retirement of Professor The Honourable Dame Marie Bashir AD CVO.

Mr Reid congratulated Tom Keneally on receiving an Australia Council Award for Lifetime Achievement in Literature.

Following the address, the Secretary, Grahame Marks, thanked Paul Reid for his contribution to the SMSA in his role as President over the preceding four years.

7. Presentation of the Annual Report and Audited Accounts

7.1 Presentation

The Treasurer, Alister Wong, presented the Annual Report for approval mentioning that the School had had a

successful year and that the building was well maintained. He advised that funds had been set aside in 2014 for the replacement of the air conditioning chiller units in 2015 at a cost of approximately \$400,000.

7.2 Matters Arising from the Annual Report

In response to a question from John Masters-Brown regarding a decrease in electricity and gas expenses, the Secretary advised that SMSA takes the electricity account to tender, maintains tight programming of high consuming electrical items, and that SMSA has installed energy efficient lighting. The Secretary also noted gas and electricity consumption were subject to ambient temperature, and that there was a mild winter in 2014.

In response to a question from Peter Rainey, the Secretary advised that consultancy fees related to the planned replacement of the air conditioning chillers.

In response to a question from Sunny Seagull, the Secretary advised that the building was approximately 94% occupied at the current time, having previously been 100% occupancy.

In response to a further question from Sunny Seagull, Winsome Allen advised that the SMSA Board is considering an area where SMSA members could meet, have a coffee and lunch whilst at SMSA.

It was moved that the Annual Report be accepted.

Moved Alister Wong
 Seconded Nathan Whiteman
 Carried on a show of hands.

8. Appointment of the Auditors

It was moved that Manser, Tierney & Johnston be appointed the auditors for the 2015 financial year.

Moved Alister Wong
 Seconded Winsome Allen
 Carried on a show of hands

9. Results of the Election

The Secretary announced that Denis Mockler had been duly elected as President of the Sydney Mechanics' School of Arts unopposed in accordance with the By-Laws (2012).

The Secretary also announced the results of the elections for Director, with the successful candidates being:

Cecile Cornford	Tom Thorburn
Di Isler	Max Williams
Paul Reid	

The Secretary thanked the unsuccessful candidates Eugene Stawski, Peter Clancy and Phil Reed for standing. The Secretary also thanked Phil Reed for his contribution to the SMSA Board over the previous 24 months. The Secretary encouraged all candidates to consider nominating at future elections.

As incoming President, Denis Mockler then took over as

Presiding Officer of the meeting. Mr Mockler addressed the meeting and spoke about his aim to improve SMSA services to members, and that he would welcome any ideas from SMSA members.

10. Other Business

10.1 Honorary Memberships

Paul Reid spoke in support of making our former Patron, Professor The Honourable Dame Marie Bashir AD CVO as an Honorary Member of the Sydney Mechanics’ School of Arts.

It was moved that Professor The Honourable Dame Marie Bashir AD CVO be made an Honorary Member in recognition of her contribution to the School as its former Patron.

*Moved Paul Reid
Seconded Tom Thorburn
Carried unopposed.*

10.2 Directors’ Terms

John Robinson spoke to his motion for limiting terms for Directors of the SMSA to 3 terms (6 years).

It was moved that Directors of the SMSA be limited to 3 terms (6 years).

*Moved John Robinson
Seconded Reginald Lobb*

A number of members spoke for and against the motion. A ballot was then held.

While the votes were being counted, there was a general discussion on various matters including a request for the establishment of a members’ coffee and lunch area, and a review of the two year waiting period for eligibility to become a director.

Tom Keneally spoke about activities within the Tom Keneally Centre.

The result of the ballot was announced with the motion being defeated 33 to 24.

11. Closure

There being no further business, the President thanked the Members for their attendance and declared the meeting closed at 1:41pm.



The SMSA Board and Secretary for 2015.
Standing: Paul Reid, Eugene Stawski, Denis Mockler, Tom Thorburn, Reinhard Ronnebeck, Carole O’Brien, Max Williams, Brian Johnston (Sec.).
Seated: Alister Wong, Winsome Allen, Cecile Cornford, Shirley Hunt, Geoff Webb. Not pictured: John Robinson

THE BOARD

THE BOARD OF DIRECTORS FOR 2015

In accordance with the **Sydney Mechanics' School of Arts Incorporation Act 1886**, the Board consists of a President, Treasurer, four Vice Presidents and seven Committee members (Directors) — a total of thirteen members. Appointment to the position of Vice President is made from within the Board at a Board meeting after the Annual General Meeting.

Denis Mockler — Vice President

Elected President 2015 (1st Term)



Denis is the principal of a small legal firm and is a former Acting District Court Judge, Arbitrator & Assessor for the Motor Accidents Authority. As a long-standing member of the SMSA and board member, Denis has held a number of positions including Treasurer and Vice President. Denis remains a strong advocate for the library and its staff, and for the provision of increased services for members of the SMSA.

Winsome Allen — Vice President

Serving (Re-elected 2014). Re-appointed VP 2015.



Winsome is a former Chairperson of the fundraising committees for the Cerebral Palsy Alliance (formerly known as The Spastic Centre of NSW) and The Benevolent Society of NSW for whom she is also a Life Governor. She is Vice President of AMISA (Association of the Mechanics' Institutes and Schools of Arts), a member of the NSW Justice of the Peace Association, and an active member of Toastmasters International, serving as Corporate Club Support Officer and Assistant Division Director. Winsome has owned several successful businesses which have provided her with opportunities for community involvement. A passionate supporter of the SMSA, Winsome promotes the School through talks to community groups about its history and significance.

Carole O'Brien — Vice President

Serving (Re-elected 2014). Re-appointed VP 2015.



Carole has been a member of the SMSA since 1982, previously served on the Board from 1984-2005, and chaired several committees. Before retiring, Carole worked in a number of companies, mostly supervising record keeping, customer service and accounts. An avid reader, Carole belongs to several municipal libraries as well as the SMSA. Her favourite books are mystery and crime, and she has been a member of the School's Reading Group since its inception. She has volunteered in the Tom Keneally Centre since its opening in 2011. Carole's other interests are going to the theatre and trying to grow things — with moderate success.

Geoff Webb — Vice President

Serving (Re-elected 2014). Re-appointed VP 2015.



Geoff has been a member of the SMSA for over 30 years and has served on the board since 2009. He is a professional engineer with broad experience in engineering work with particular emphasis on project management and documentation. Geoff is interested in family and local history and enjoys reading science fiction and mystery books. He also enjoys travelling.

Max Williams — Vice President

Re-elected 2015. Re-appointed VP 2015.



Max is semi-retired following a career in Public Health, Administration and Insurance. Max was Company Secretary and Financial Controller to a Computer Company servicing a major Insurance Provider and has brought financial and information technology experience to the SMSA. Max has a continuing interest in Information Technology and is currently the Chair of the Building Committee.

Alister Wong — Treasurer

Serving (Re-elected 2014). Re-appointed Treasurer 2015.



Alister has been on the SMSA Board and its Treasurer since 2005. A member of the CPA (Certified Practising Accountants) Australia with IT qualifications from the UK, Alister works in the Department of Education as a Project Manager. He is a JP and was a Board member and Treasurer of the Sydney Gay and Lesbian Business Association as well as an independent member of the Finance and Audit Committee of ACON. Alister brings broad management and financial skills to the SMSA. His interests include reading, classical music, theatre, travel and good food.

Paul Reid — Assistant Treasurer

Elected 2015 (previously, President).



Paul is the father of three adult children, as well as the very proud grandfather of four grandchildren. Paul works as a Training and Educative Services Manager, delivering industrial relations-based training to people from diverse educational and employment

backgrounds. He is a strong advocate of human rights and has been a past Secretary of an NGO. Paul has served on the Public Sector Industry Advisory Board as Director for around 10 years, and as a Trustee and member of the Finance and Governance Committee of Unions NSW for 2 years. Paul's varied interests include theatre, cinema, art, cooking and travel. Paul served as President of the Sydney Mechanics' School of Arts for 4 years, where he was previously a Vice President and a Director. He is very proud of the history of the SMSA and strongly supports its Charter.

Cecile Cornford — Director

Elected 2015.



A former SMSA Librarian, Cecile had previously been a member of the School for many years. Cecile has always worked in Customer Service and related roles in banking, as a medical secretary and an air hostess. Cecile is passionate about the School and, as an avid reader and lover of literature, she is interested in maintaining the quality of good reading that we now have in the Library. A new grandmother, Cecile enjoys travel, history, theatre, film, science, cooking and all things French, archaeology, cats and other animals.

Shirley Hunt — Director

Serving (Re-elected 2014)



Shirley has been a member of the Sydney Mechanics' School of Arts for over 15 years and was first elected to the Board in 2012. An avid reader, Shirley enjoys the ambience of the Library and is a staunch supporter. She enjoys meeting other members at SMSA events and regularly volunteers in the Tom Keneally Centre. Shirley's interests include theatre, films, swimming, walking and volunteering.

John Robinson — Director

Re-elected 2014.



In the past, John has assisted staff with talks and events and, in 2013, chaired the 180th Birthday Committee. John volunteered at the Powerhouse Museum's Discovery Centre, assisting with the registration and cataloguing of the Australian AIDS Memorial Quilt. He has served on the boards of a ministerial advisory committee and community organisations, including the Bobby Goldsmith Foundation. His interests include travel, music, theatre, opera, reading, walking, swimming and continuing education.

Reinhard Ronnebeck — Director

Filled casual vacancy December 2015



Reinhard received his tertiary education in the U.S. completing his PhD in clinical psychology. He worked for over 30 years for various public and private health organisations, providing direct services and in management. He was the professional head of over 100 psychologists and has taught in three Sydney universities.

Eugene Stawski — Director

Filled casual vacancy August 2015



Before retiring five years ago, Eugene was the Financial Controller of Carpet Court Northern. Following his retirement, he held a part-time position with SMSA several years ago as Accounting Officer, making changes, contributions and suggestions for the improvement of the accounting system. His interests include tennis, skiing, canoeing, travelling, reading, family and friends. As director of the SMSA, Eugene focuses on continued success of the School financially.

Tom Thorburn — Director

Re-elected 2015.



Tom has been a member of the SMSA for over 50 years and a member of the Board for over 20 years. In 2010, he was made a Life Member for his services to the School. Before he retired he was the computer manager of a health fund. Tom keeps up with technology and was involved with the an upgrade to SMSA's computer systems. He is webmaster for the St Marys & District Historical Society. A keen ballroom dancer, he and his wife have also enjoyed a number of cruises including a circumnavigation of Australia. Tom is an avid reader of Detective novels and Science Fiction and has both an iPad and a Kindle for reading eBooks. He has also written a collection of author reviews that are featured in the 'Limelight Book Reviews' section of the SMSA website.

Di Isler — Director

Elected 2015. Resigned October 2015.



Di is a social anthropologist, historian and independent scholar with strong interests in social research. Di has spent extensive time in under-developed countries working in the area of ethnic conflict resolution and human rights. More recently, Di has been an international disaster recovery management consultant. Di has been an enthusiastic member of the SMSA Library for a number of years. Her interests include reading, art, photography and genealogy.

Win Ramdas — Director

Re-elected 2014. Resigned July 2015.



Win, a lawyer by training, has been a member of SMSA since 2003. She served and chaired a number of committees in the British Association (Singapore) before moving to Sydney over a decade ago. Win has participated in a number of organisations in Sydney, but has found her niche broadcasting on 2RPH (Reading for the Print Handicapped). She is also a Sydney Airport Ambassador. Her hobbies include golf, bridge, walking, reading, theatre, travel, opera, classical music and gourmet food.

Attendance at Board Meetings — 2015

Board Member	Attended	Jan	Feb	Mar	AGM	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec
Allen, Winsome	12 of 12	✓	✓	✓	Serving	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cornford, Cecile	8 of 9	n/a	n/a	n/a	Elected	✓	apol	✓	✓	✓	✓	✓	✓	✓
Creighton, Alan	1 of 3	apol	✓	apol	Outgoing	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Hunt, Shirley	12 of 12	✓	✓	✓	Serving	✓	✓	✓	✓	✓	✓	✓	✓	✓
Isler, Di	6 of 6	n/a	n/a	n/a	Elected	✓	✓	✓	✓	✓	✓	res'd	n/a	n/a
Mockler, Denis	12 of 12	✓	✓	✓	Elected Pres	✓	✓	✓	✓	✓	✓	✓	✓	✓
O'Brien, Carole	10 of 12	✓	✓	✓	Serving	✓	apol	✓	✓	✓	apol	✓	✓	✓
Ramdas, Win	6 of 6	✓	✓	✓	Serving	✓	✓	✓	res'd	n/a	n/a	n/a	n/a	n/a
Reed, Phil	3 of 3	✓	✓	✓	Outgoing	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Reid, Paul	11 of 12	✓	✓	✓	Re-elected	✓	✓	✓	✓	✓	✓	✓	apol	✓
Robinson, John	10 of 12	✓	✓	✓	Serving	✓	✓	✓	apol	apol	✓	✓	✓	✓
Ronnebeck, Reinhard	1 of 1	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	na	n/a	✓
Stawski, Eugene	4 of 5	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	✓	✓	apol	✓	✓
Thorburn, Tom	8 of 12	✓	✓	✓	Re-elected	✓	apol	✓	apol	✓	✓	✓	apol	apol
Webb, Geoff	10 of 12	apol	✓	✓	Serving	✓	✓	✓	✓	✓	✓	✓	apol	✓
Williams, Max	11 of 12	✓	✓	✓	Re-elected	✓	✓	✓	✓	✓	✓	✓	✓	apol
Wong, Alister	11 of 12	✓	✓	✓	Serving	✓	apol	✓	✓	✓	✓	✓	✓	✓

COMMITTEES OF THE BOARD

The Vice Presidents and Treasurer take responsibility for Chairing the Committees and calling Committees as required. Any Board members attending a Committee meeting constitute that Committee.

Building Committee

Max Williams (Chair)

The Building Committee's report appears on page 24.

Finance Committee

Alister Wong (Chair)

The Treasurer's Report appears on page 28.

Governance Committee

Paul Reid (Chair)

The Governance Committee's report page 25.

Grants Committee

Geoff Webb (Chair)

The Grants Committee's report appears on page 26.

Library Committee

Winsome Allen (Chair)

The Library Committee's report appears on page 18.

Membership Committee

Carole O'Brien (Chair)

The Membership Committee's report appears on page 16.

Ad Hoc Committees

There were no ad hoc committees active during 2015.

Borrow eBooks and Audiobooks anywhere, any time

<http://smsa.org.au/ebooks>



It's easy to get started.

Download and read hundreds of titles today
on your smartphone, iPad, tablet, reader or PC.

OPERATIONS

STAFF AS AT 31ST DECEMBER 2015

Secretary	Brian Johnston	Library Assistants	Venettia Miller
Program & Communications	Melanie Ryan		Kathy Sale
Accountant	Alan Reade	Casual Library Officers	Derek Hornsey
Venue Hire	Wendy Man		Kathleen Fernandes
Marketing & Admin Assistant	Vacant		Erika Samonte
Library Coordinator	Wayne McIntyre		Marlene Smith



In 2015, the School was very fortunate to have a good stable team for the majority of the year, with only a few staff movements.

Grahame Marks left as Secretary in November and Brian Johnston was welcomed to lead the team. Ralph Sochalski, our Marketing and Administration Assistant, also departed in late 2015 to pursue new opportunities in the marketing team of a healthcare organisation. We wish both Grahame and Ralph well in their future careers.

We were also pleased to welcome Erika Samonte to our team of Casual Library Officers following the completion of her TAFE workplace placement with the SMSA Library.

Once again, the Board would like to recognise the dedication of all our staff. Their enthusiasm and professionalism in supporting the School's Charter and providing services to its members ensures the ongoing success of the Sydney Mechanics' School of Arts.

In particular, a number of projects were delivered with outstanding results as a result of their teamwork:

- The Library was temporarily relocated to the Tom Keneally Centre on level 3 at the start of the year for the recarpeting and repainting of level 2.
- A online credit card payment gateway was introduced, making payment of rent, venue hire fees and memberships more convenient.
- Many of our members took advantage of our 'refer-a-friend' to win an iPad competition.
- Our Public Program of talks, readings and screenings continues to flourish with record numbers attending talks, activities and our members' events such as the Christmas Party.
- Additionally, staff have once again capably managed the timely presentation of the Annual Report and financial results.

MEMBERSHIP

Membership Committee

Carole O'Brien (Chair)

The Membership Committee was involved in a number of activities during 2015.

Membership Numbers

The number of members at the end of December 2015 stood at over the 1,350 mark, with the grace period for renewal of membership extending to 31 January 2016.

Membership Fees

The membership fees did not increase in 2015 and will remain as follows for 2016:

Full Membership

\$15.00 for 1 subscription
\$10.00 for each extra subscription

Full Membership (concession)

\$10.00 for 1 subscription
\$5.00 for each extra subscription

Reader's Ticket (students only)

\$10.00 for 1 subscription (no voting rights)

Members' Benefits

Members' Services

In addition to the core services offered through the Library and our Public Program, members made good use of our Members' Services, most notably:

- eBooks, Audiobooks and eMagazines;
- Borrowing from the Tom Keneally Centre collection;
- iPad loans.

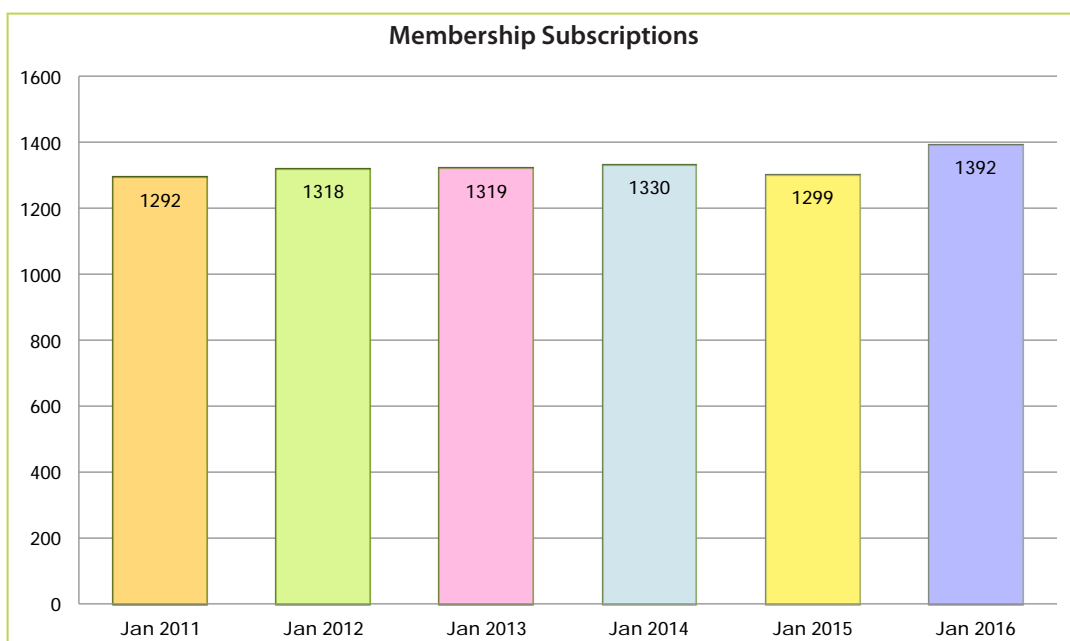
The Board also commissioned the construction of a Members' Coffee Area in the Library where members can enjoy a free tea or coffee. This will open in early 2016.

Discounts

Members of the SMSA were offered discounts at a number of local businesses during 2015, including Julian Ashton Art School, WEA and ASCCA (Australian Seniors Computer Clubs Association) courses.

Reciprocal Agreements

The Sydney Mechanics' School of Arts has a long-standing reciprocal borrowing agreement with the WEA, where members may borrow from the WEA library on presentation of their SMSA membership card. This will continue in 2016.



Membership Cards

In 2015, SMSA began issuing Membership Cards for the first time in many years. The card shows member's Library Username and Member Number on the reverse of the card, allowing easier access to our online services. Members can also use the card to take advantage of discounts with partner organisations.

Activities and Events

Public Program

See page 20 for a report on the School's Public Program of talks and events. Event photos are on page 23.

Members' Recreation and Discussion Groups

SMSA has several Member-coordinated Recreation and Discussion Groups:

- The *Mystery and Crime Reading Group* celebrated its 10th anniversary in 2015. With a membership of 15 and growing, it meets every fourth Saturday morning.
- The *Poetry at SMSA* group has met monthly on a Tuesday evening since 2008 with around 12-14 members. In recent years the group has given several well-received poetry readings open to both members and the public.
- The *Mah Jong Group* which started in 2009 now meets two days a week, with more advanced participants on Tuesdays and beginners on Wednesdays.

Members who would like to coordinate a group for Chess, Scrabble or another activity may apply to the Membership Committee via the Secretary.

Library Lovers' Tea

The staff coordinated a members' afternoon tea with the theme of *Arsenic and Old Lace* to celebrate Library Lovers' Day in February. Members were invited to have a 'blind date' with a book and enjoyed plenty of treats.

Members' Bus Trip

The 2015 Members' Bus Trip visited the St George and Sutherland Shire regions, stopping off at Lydham Hall (the childhood home of author Christina Stead), Hazelhurst Regional Gallery and the Camellia Gardens. Although their off-site shed had been burnt down in a fire just days before, the Tramway Museum volunteers kindly allowed us to keep our scheduled visit, giving members a look behind the scenes at some of the trams being restored. Members were also able to learn the history of several Schools of Arts we drove by en-route.

Members' Christmas Party

Over 150 members attended the Members' Christmas Party, enjoying the chance to mingle with each other, the staff and members of the Board.

As is now a tradition, the artwork of the Julian Ashton Art School's Annual Staff and Student Exhibition formed the backdrop to the party. Although he was not able to make it to the party, the School would like to thank Paul Delprat, principal of the Julian Ashton Art School and his wife Sue Delprat for making the wonderful artworks available once again.

Christmas Party photos can be viewed on page 22.



The Members' Bus Trip in 2015 visited a range of places of interest, including Christina Stead's childhood home, Lydham Hall (now a museum operated by the St George Historical Society), the Camellia Gardens, Hazelhurst Regional Gallery in Gymea and the Tramway Museum.

THE LIBRARY AND TOM KENEALLY CENTRE

Library Committee

Winsome Allen (Chair)

The Library Committee met several times during 2015 to discuss the management of the Library and its collection.

I would like to thank the Library team: Wayne, Kathy, Venettia, Derek, Kathleen, Marlene and Erika—as well as our Library Volunteers Kay and Wendy—for their assistance and support, capable management of the Library and the friendly professional service to members that is SMSA's hallmark. Well done!

I wish also to thank the Library Committee Members for their valuable and constructive input and support.

Library Collection

Further culling took place this year with a view to ongoing collection management, and creating more space for new additions to the Library.

As in previous years, we have made our culled books available as 'Free to a Good Home' in the Library and on Level 1 near the meeting rooms. Once again, this initiative proved very popular.

Additional Services

eBooks and Audiobooks have continued to increase in popularity. More than 20% of members have now registered to use the 24/7 service.

Our eMagazines are available for members to download on the same day that the print edition is released. More than 10% of members have used this service so far.

There are now also three iPads available for members to borrow. Ask at the Library for details.

Library Survey

Nearly 230 members responded to the 2015 Library Survey, either online or hardcopy. I would like to thank you for your feedback which has been overwhelmingly positive, and has helped give the Library Committee and Board insights to inform our future directions.

Members' Coffee Area

At the end of 2015, we commenced construction of a new Members' Coffee Area in the Library. This much-requested feature will launch early in 2016, providing a comfortable and convenient place for members to enjoy a nice hot latte or flat white on us.

The Tom Keneally Centre (TKC)

The experiment of opening the Tom Keneally Centre three days a week was highly successful, and I am pleased to announce that Fridays are now a permanent feature in addition to Tuesdays and Thursdays. The program of regular writing classes, readings and authors' talks held in the Tom Keneally Centre will continue.

I'd also like to remind members that they have borrowing rights in the Tom Keneally Centre as well as in the Library. Tom has started working through the collection and making notes about each book's significance to him. Given the number of books on the TKC shelves, it is a mammoth task, but one which adds immense interest and value to the collection.

Many thanks also to the wonderful SMSA Volunteers who assist in the Tom Keneally Centre, the main library and provide support for events on occasion.

Sincere thanks must also be given to Wendy and Ralph from our Administration area who are always willing to lend a hand.

Finally, my ongoing gratitude and appreciation to Melanie who has provided help and guidance to me in the ongoing running of the TKC.

Books Borrowed in 2015 (by Genre)

Library		
Australiana	200	1.09%
Biography	867	4.74%
Classics	185	1.01%
Cookbooks/Food	55	0.30%
Craft/Hobbies	33	0.18%
Gardening	14	0.08%
General Novels	3,779	21.09%
Historical Novels	471	2.57%
Magazines.	2,014	11.00%
Mystery	8,849	48.34%
Non-Fiction	707	3.86%
Poetry	56	0.31%
Romance	260	1.42%
Science fiction & fantasy	509	2.78%
Travel	226	1.23%
Library Subtotal	18,225	100%
Electronic Library Services		
Audiobooks	301	
eBooks	1,065	
eMagazines	904	
Electronic Library Subtotal	2,270	
Tom Keneally Centre		
Tom Keneally Centre Subtotal	169	
TOTAL LOANS	20,664	

eMagazines

Now available FREE to SMSA Members



- | | | | |
|-----------------------------|--------------------------|--------------------------|-----------------------|
| Apple Magazine | Dreamscapes | Marie Claire Australia | Real Living Australia |
| Australian Handyman | Esquire | Money | Rolling Stone |
| Australian Homespun | Gardening Australia | National Geographic | Smithsonian Magazine |
| Australian Womens' Weekly | Gourmet Traveller | New Scientist | Taste.com.au |
| Australian Readers' Digest | GQ Australia | New York Review of Books | Vogue Australia |
| Better Homes & Gardens Aust | Harpers Bazaar Australia | Newsweek | WellBeing |
| Blue Mountains Life | Health & Fitness | O, The Oprah Magazine | Woman's Day (UK) |
| Country Homes & Interiors | Homes & Gardens | OK! Magazine | Woman's Weekly (UK) |
| delicious | Inside History | PC & Tech Authority | |
| onna hay magazine | Inside Sport | Reader's Digest | |

... AND MORE TO COME!

<http://smsa.org.au/emagazines>

All you need is internet access and our Quick Start Guide!

PUBLIC PROGRAM (TALKS AND EVENTS)

The Public Program of events had a very successful year in 2015. Feedback from members is always overwhelmingly positive, although we always welcome suggestions for themes and speakers that you would like to see in the future.

All Public Program events (apart from writing classes) are free and open to both members and the public.

Public Talks (Talkabouts)

In line with SMSA's values, a number of Talkabouts were held during the year. Curated around monthly themes, some of the highlights were:

- Vince Ungaray on the Jesuits in China, illustrated with antique maps
- Caroline Ford on the history of Sydney's Beaches
- Peter Rees on Australia's most famous war correspondent, Charles Bean
- Ashley Kalagian-Blunt on another event that occurred around the time of Galipolli, the Armenian Genocide and its far reaching consequences.
- Stephany Evans Steggall and Tom Keneally in conversation to launch Stephany's biography of Tom, *Interestingly Enough*.
- Tom Keneally on his book, *Napoleon's Last Island*.
- Jeannine Baker on pioneering Australian women war reporters and the obstacles they faced.
- Julian Leatherdale on the history behind *The Palace of Tears*, including the Hydro-Majestic's romantic past and the internment of Australians of German descent.

Tom Keneally Centre Events

The Tom Keneally Centre has proven to be a popular venue for author talks and readings, holding around 50 people and offering intimate access to your favourite authors.

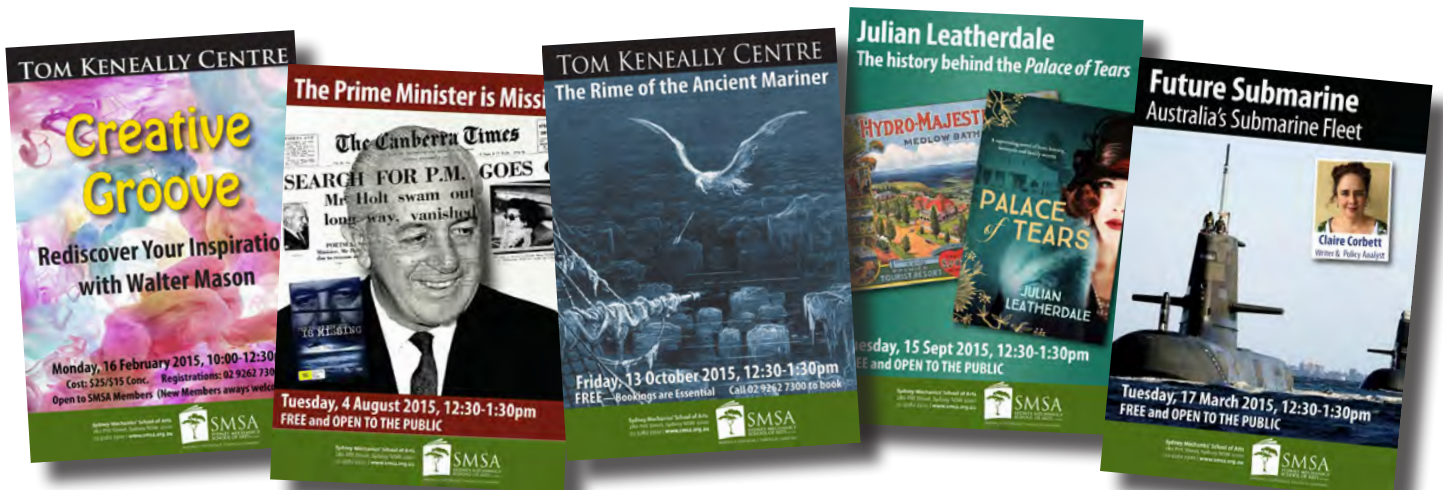
In 2015, we have been honoured to host writers including:

- Cat Thao Nguyen on her family's horrific flight from persecution in Vietnam in *We Are Here*.
- Somer Sivrioglu's fascinating travelogue of Turkey by way of its food in *Anatolia*.
- Kel Richards on how our colourful 'dingo lingo', Australian English, developed.
- Catherine Bishop on colonial women entrepreneurs in *Minding Her Own Business*.

We anticipate a similarly strong line-up for 2016.

Writing Sydney

We also successfully experimented this year with the Writing Sydney series of talk in which Walter Mason discussed with various writers how our city and their experience of it has influenced their work. Featured guests included Vanessa Berry, crime author P.M. Newton and Antonia Pesenti and Hilary Bell.



Poetry Readings

Once again, we were delighted to feature a number of public readings by our Poetry at SMSA group. For the *Alice in Wonderland 150th Anniversary* tribute the group read a selection of poems from the Alice books and other Lewis Carroll works. The *Rime of the Ancient Mariner* was once again well attended, as were the *Poems for Christmas-time*.

There will be more readings by the group in 2016.

Classic Film Nights

Our Classic Film Night screenings continued to be very popular, with a top audience of 65 for *The Rules of the Game in June*. Other popular films were:

- *Vertigo*;
- *Hidden*;
- *Chinatown*;
- *The Shop Around the Corner*;
- *Safety Last* ; and
- *Walkabout*.

Each screening includes a short talk on the film's history by SMSA member and film enthusiast Peter Rainey and there is an opportunity for discussion afterwards. Classic Film Nights will continue in 2016 on the second Thursday of each month.

Writing Master Classes

In 2016, we will once again offer a Writing Master Class with Thomas Keneally and Claire Corbett. Running for three fortnightly full-day sessions, the classes will be open to both unpublished writers who want to go to the 'next level' with their writing and offer participants a unique opportunity for a 'one-on-one' coaching session with one of Australia's top authors, Tom Keneally.

History Talks & Tours

In 2015, we commenced an outreach program targeted at community groups designed to promote the School and inform interested groups about our history. The School's history is fascinating, filled with entertaining characters and events, and these are the details that Vice President Winsome Allen has included in the talk upon which this program is centred.

Groups such as Probus or Historical Societies have the option of hosting us 'on their home ground' or coming in to the SMSA which includes a tour of our facilities including the Library and the Tom Keneally Centre. Some groups have opted for both!

If you are interested in this program for your group, please contact melanie.ryan@smsa.org.au to discuss dates and details.



Christmas Party



Talks & Events



BUILDING MANAGEMENT

Building Committee

Max Williams (Chair)

The Building Committee was active over the past year in attending to a number of projects affecting the running of the SMSA building.

Premises

280 Pitt Street (formerly Lincoln House) comprises 11 Levels. SMSA occupies 3 floors and leases the other floors as Grade 'B' office space. The building was originally designed by the architects Spain and Cosh and built in 1924.

The original building was L-shaped with Pitt and Bathurst Street wings that were later divided. The Sydney Mechanics' School of Arts owns the Pitt Street wing. The building is listed in the City of Sydney Local Environment Plan Heritage List and in the NSW State Heritage Register.

The building underwent a major renovation after its acquisition in 1996. This was completed and occupancy commenced in 1999 with the official opening in 2000.

Tenants

During the 2015 year the School lost some of its long term tenants, although our high rental occupancy rate remains unchanged as we were fortunate in finding other tenants. We are also pleased to report our ratio of leasing to Not for Profit and/or organisations engaged in educational activities has been maintained.

The success of the Venue Hire facilities has meant the School was able to exceed its budgeted property income for the year. Wendy Man is to be congratulated for her efforts in this enterprise. The Sydney Mechanics' School of Arts also continues to support educational and like-minded organisations by way of discounted rates for the use of its Venue Hire facilities in accordance with its charter.

Building Management

Our building managers, StrataChoice, continue to provide a valuable service by ensuring the building is kept in good condition and our tenants enjoy excellent accommodation facilities.

During the year over \$70,813 was spent on capital works. Additionally, major refurbishment of the air conditioning system took place involving the replacement of the air conditioning chillers at a cost of \$343,091. This project involved lifting equipment by crane from Bathurst Street

to the rooftop, rewiring of sensors throughout the building and major mechanical work to re-commission the air conditioning system.

I would like to express my appreciation to my fellow Director Geoff Webb and Arthur Alibrandi from StrataChoice for their valuable expertise in the planning and implementation of the project which was achieved on time and within budget with minimal disruption to our tenants.

Our success in maintaining high tenancy in the building has been in no small part the result of being able to provide a desirable working environment. The Board views our investment in the maintenance of the SMSA building as essential and has continued to set aside funds in the Reserve Account to achieve this goal.

Tenants as at 31 December 2015

Level	Tenants	Space
LG	Council On The Ageing**	0.7%
LG	National Council of Women of NSW **	0.7%
LG	ASCCA **	1.6%
LG	UNICEF Australia**	0.5%
LG	ACR Travel	1.5%
LG	Animal Justice Party**	0.9%
LG	Far and Wide Migration Services	0.7%
G	Doppio Espresso	0.1%
G	Sydney City Pharmacy	4.8%
1, 2 & 3	SMSA's own use **	30.9%
4	UNICEF Australia**	10.2%
5	Health Consumers NSW **	2.2%
5	NAATI **	2.4%
5	Air Pacific	4.6%
6	Council On The Ageing **	4.6%
6	Grand Reach Realty	5.1%
7	Life Education Australia **	4.5%
7	MIT Institute ** (formerly LETS Australia)	4.8%
8	Castrisos Kanaris & Co	4.4%
8	Quantum Business House P/L	3.2%
8	UNICEF Australia* **	1.6%
9	MIT Institute ** (formerly LETS Australia)	10.3%
Area occupied or under lease as of 31/12/2015		100.0%
Total area occupied by non-profit or education		81.5%

** Denotes not-for-profit organisations and/or those tenants engaged in educational activities.

VENUE HIRE

The SMSA's Venue Hire facilities provide conveniently located, affordable meeting space in the CBD.

Hirers use the rooms for a wide variety of purposes—from Annual General Meetings, seminars and training through to discussion and recreation groups. The meeting rooms have folding walls that allow them to be flexibly configured according to hirer requirements.

In 2015, Venue Hire sales increased, further building on the growth experienced in 2014. The Board would like to acknowledge the efforts of Wendy Man in achieving this excellent result, supported by the SMSA team as a whole.

Facilities

In addition to the Mitchell Theatre and the Level 1 meeting rooms, the Norman Selfe Room, the Windeyer Room (suitable as a for-hire office or small meeting room) and the Tom Keneally Centre are available on Level 3.

A handrail was installed in the Mitchell Theatre on the stage steps and two display monitors were installed on either side of the stage to aid visibility of the presentation in theatre.

Fee Structure

The School has continued its pricing structure for Venue Hire based on market prices for similar meeting facilities.

For most rooms, the minimum hire period is two (2) hours per space, with additional time being charged on an hourly basis after the two (2) hour period. The minimum hire period for the Windeyer Room is one (1) hour.

The SMSA classifies hirers into three categories according to criteria defined in the Venue Hire Terms and Conditions of Hire.

- Commercial/Government/Education
- Not-For-Profit (paid staff)
- Volunteer (no paid staff)

This enables us to meet the needs of Not-For-Profit and Volunteer groups by offering discounted rates in line with the School's values.

GOVERNANCE

Governance Committee

Paul Reid (Chair)

The Governance Committee has had an active year.

With good corporate governance a 'front-and-centre' issue for all organisations including the Not-For-Profit sector, in 2015 the SMSA Board has remained committed to continuous improvement and effective governance.

Accordingly, the Board has commenced a development program to enhance their knowledge of their duties and obligations as directors, corporate governance and leadership, particularly in relation to Not-For-Profit organisations.

At the same time, the Board are also undertaking:

- a review all current policies and procedures to

ensure that the School is well equipped to achieve its goals and objectives;

- revision of the School's strategic planning; and
- analysis of the School's risk management plan.

We have also continued our practice of obtaining a Declaration of Conflicts of Interests annually from all directors and staff members.

I would like to extend my thanks to the members of the Governance Committee and other Board members for their commitment and assistance during 2015.

I would also like to thank our new Secretary, Brian Johnston for his support and dedication since his appointment.

GRANTS, DONATIONS AND PRIZES



SMSA's Carole O'Brien and Grahame Marks presenting the grant cheque to ASCCA's President Nan Bosler and Vice President Joan Craymer.



SMSA Vice President Winsome Allen and Melanie Ryan present Paul Delprat, Principal of the Julian Ashton Art School with a cheque.

Grants Committee

Geoff Webb(Chair)

The Grants Committee met several times during the year to review grant requests. Organisations wishing to apply for a grant may do so via the Secretary using the Grant Application Forms which are available for download from the SMSA website.

Grants and Donations

The SMSA has made the following grants to organisations that were both deserving and met the criteria that satisfied the SMSA's values and objectives:

Australian Seniors Computer Club Assoc. — \$10,000

The Australian Seniors Computer Club Association (ASCCA) supports and encourages seniors to take advantage of modern IT through its 130 clubs and 150,000 members. The grant will be used to update materials for a range of existing courses (including Apple iPad, eBooks, MS Office, Facebook, Twitter and specialist topics such as Genealogy and Digital Photography) and to create original training materials for new technologies.

<http://ascca.org.au>

The Dictionary of Sydney — \$9,600

The Dictionary preserves and publishes historical and cultural information about Sydney for the broadest possible audience. The grant will be used to employ a researcher to prepare educational material for both schools and the general public, allowing greater access to the Dictionary's data.

<http://dictionaryofsydney.org>

The Julian Ashton Art School — \$6,000

Established in 1890, the Julian Ashton Art School is Australia's oldest continuous fine art school. Based in The Rocks, their former students include Sir William Dobell, John Olsen, Brett Whiteley, Thea Proctor and many other prominent Australian artists.

<http://julianashtonartschool.com.au>

The Scholars for 2016 (awarded in November 2015) are:

Full-time Scholarship

Jessica Alexander

Part-time Scholarship

Nada DeCat Irie

The Pyjama Foundation — \$5,000

Children in foster care are, on average, 4 years behind their peers academically. The Pyjama Foundation works to give these children a better, brighter future by providing the child with a Pyjama Angel who visits them each week to read, play and build the child's confidence. This grant will allow Pyjama Foundation to screen, train and match more volunteer Pyjama Angels to more children, thereby increasing their love of learning and their understanding of the importance of education and reading, which in turn improves the children's results at school and their longer term opportunities.

<http://thepyjamafoundation.com>

The National Council of Women (NSW) — \$3,000

The National Council of Women (NSW) is a non-government umbrella organisation with broadly humanitarian and educational objectives. The grant has been used to fund National Council of Women (NSW) Australia Day Award scholarships for young women who are excelling in the field of science.

The 2015 recipients (to be presented in 2016) are:

Rhonda Itaoui

Human Geography, Western Sydney University

Audrey Markowskei

Mathematics, Macquarie University

Sarah Taylor

Agricultural Science, University of Sydney

Clifton School of Arts— \$2,000

Clifton School of Arts is an unfunded, stand-alone community facility. The grant was used towards development of a book to celebrate the 10th anniversary of the Sea Cliff Bridge, including its construction and how the closure of Lawrence Hargrave Drive impacted on the welfare of the residents in its vicinity. The book *The Bridge: A Sea Cliff Solution* can be purchased from Clifton School of Arts and is also available for loan from the SMSA Library.

<http://cliftonschoolorarts.org>

The Footpath Library — \$500

The Footpath Library gives away free books to homeless people living on the street via their mobile services, and through libraries they have installed and stock in hostels, refuges and community organisations in Sydney, Brisbane, Melbourne and Perth. This grant was used to provide books and materials for these libraries.

<http://footpathlibrary.org>

Other Activities

The SMSA continues to provide discounted rates for venue hire for qualifying Not-For-Profit and volunteer organisations. This has been a long-standing tradition which benefits both the SMSA and the organisations involved.

Prizes

In years past, the Board of the Sydney Mechanics' School of Arts gave sums of money to the University of Sydney, the University of Technology, Sydney and the University of Western Sydney, providing an endowment for prizes to be awarded annually at these Universities. The following prizes were awarded for work in the 2014 academic year and presented in 2015:

University of Sydney

Maxwell E Arthur Prize in Australian Literature

Yuri Hospodar

University of Technology, Sydney

Sydney Mechanics' School of Arts
Award in Adult Education

Annette Simpson.

University of Western Sydney

Sydney Mechanics' School of Arts
Award in Professional Writing

Laura Bowron

Sydney Mechanics' School of Arts
Award in Theoretical Studies

Rizwan Sahib

Sydney Mechanics' School of Arts
Award in Humanities

Joyce Al-Gharib

Sydney Mechanics' School of Arts
Award in Social Science

Adriano Res

Reece Armstrong

Sydney Mechanics' School of Arts
Award in Health

Rebekah Levingston

Sydney Mechanics' School of Arts
Award in Nursing

Sarah Watkins

TREASURER'S REPORT

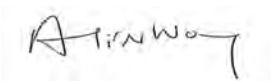
SMSA's audited financial results for the 2015 financial year showed an operating surplus of \$25,472 after building, administration and depreciation expenses. The total revenue was \$1,635,347 against an expenditure of \$1,609,875. There was a significant increase in depreciation charges due to a one-off adjustment to bring the net book value of the School's assets up-to-date.

In the balance sheet, there was a substantial increase to the provision for depreciation to address under-reporting in previous years. The value of the building has also been revised in line with the most recent valuation from an independent certified valuer as required by the Australian Accounting Standards. Furthermore the additional provision set aside for building maintenance in 2015 has helped pay for the replacement of the chillers and the construction of the café in the Library. Overall the School performed very well in a tight leasing market.

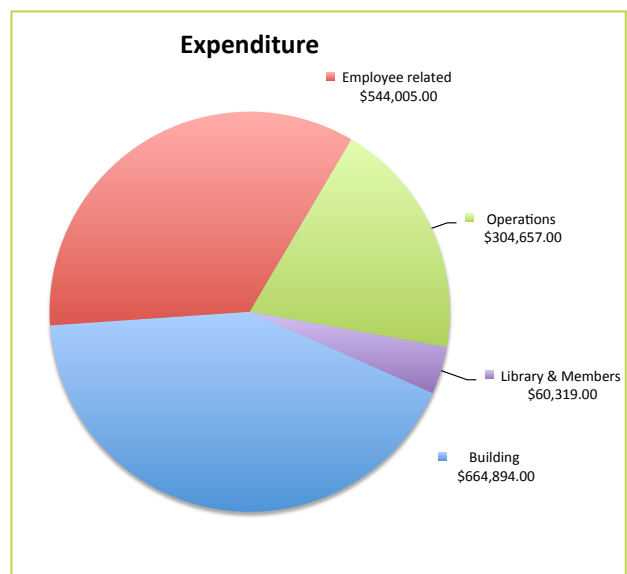
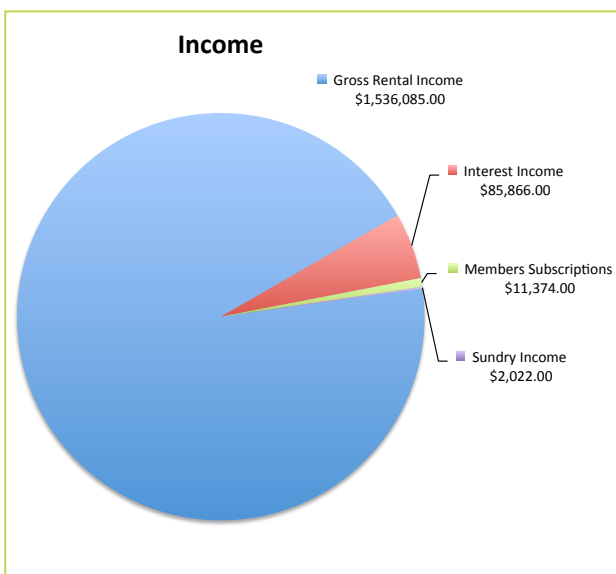
The following graphs show the proportions of the School's income and expenses. Full details are in the financial statements in Part II of the Annual Report starting on page 29.

Looking back, I would like to commend the foresight of our past Presidents and Board members in purchasing and refurbishing the School's current building which has provided solid income to fund the School's many social and cultural activities.

Looking forward, the School has plans to formulate its next Strategic Plan to bring about more fulfilling and enriching experiences for our members and the community-at-large to enjoy.



Alister Wong CPA
Treasurer



PART II
FINANCIAL STATEMENTS
31 DECEMBER 2015

SYDNEY MECHANICS' SCHOOL OF ARTS
ABN 29 720 771 090

AUDITED BY
BRIAN TIERNEY
OF
MANSER, TIERNEY AND JOHNSTON
CHARTERED ACCOUNTANTS

SYDNEY MECHANICS' SCHOOL OF ARTS
ABN 29 720 771 090

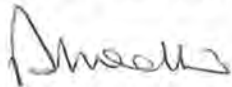
STATEMENT BY MEMBERS OF THE BOARD

The Board has determined that Sydney Mechanics' School of Arts is not a reporting entity and that these special purpose financial statements should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

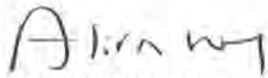
In the opinion of the Board the attached financial statements comprising the Balance Sheet, Income Statement, Statement of Cash Flows, Income and Expenditure Statement, Rental Income and Expenditure Statement and Notes to the Financial Statements:

1. present a true and fair view of the financial position of Sydney Mechanics' School of Arts as at 31 December 2015 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements, the requirements of the *Sydney Mechanics' School of Arts Incorporation Act of 1886 (amended in 1929 and 1940)* and the *Australian Charities and Not-for-profits Commission Act 2012*; and
2. at the date of this statement, there are reasonable grounds to believe that Sydney Mechanics' School of Arts will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Board and is signed for and on behalf of the Board by:



.....
DENIS MOCKLER
 President



.....
ALISTER WONG
 Treasurer

Dated this 18th day of February 2016.



Manser Tierney & Johnston
Chartered Accountants

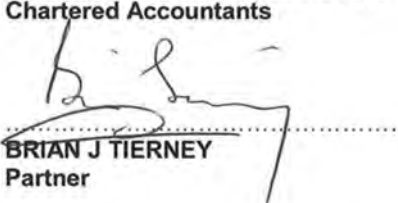
**SYDNEY MECHANICS' SCHOOL OF ARTS
ABN 29 720 771 090**

**AUDITOR'S DECLARATION
TO THE MEMBERS OF SYDNEY MECHANICS' SCHOOL OF ARTS**

In accordance with Section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act), I declare that, to the best of my knowledge and belief, during the year ended 31 December 2015 there have been no contraventions of any applicable code of professional conduct in relation to the audit.

Signed at Wahroonga this 19th day of February 2016.

MANSER TIERNEY & JOHNSTON
Chartered Accountants


BRIAN J TIERNEY
Partner



ManserTierney&Johnston
Chartered Accountants

**SYDNEY MECHANICS' SCHOOL OF ARTS
ABN 29 720 771 090**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SYDNEY MECHANICS' SCHOOL OF ARTS**

Report on the Financial Statements

We have audited the accompanying financial statements, being special purpose financial statements, of Sydney Mechanics' School of Arts (the School), which comprises the balance sheet as at 31 December 2015, the income statement, statement of cash flows, the income and expenditure statement and rental income and expenditure statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the statement by members of the Board.

Board's Responsibility for the Financial Statements

The Board of Sydney Mechanics' School of Arts is responsible for the preparation and fair presentation of the financial statements and has determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the *Sydney Mechanics' School of Arts Incorporation Act of 1886 (amended in 1929 and 1940)*, the *Australian Charities and Not-for-profits Commission Act 2012* and is appropriate to meet the needs of the members. The Board's responsibility also includes such internal control as the Board determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the School's preparation and fair presentation of the financial statements, 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 School's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial statements.

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

.../4



Manser Tierney & Johnston
Chartered Accountants

4

**SYDNEY MECHANICS' SCHOOL OF ARTS
ABN 29 720 771 090**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SYDNEY MECHANICS' SCHOOL OF ARTS**

Opinion

In our opinion, the financial statements of Sydney Mechanics' School of Arts have been prepared in accordance with the *Sydney Mechanics' School of Arts Incorporation Act of 1886 (amended in 1929 and 1940)* and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:


- a) giving a true and fair view of the School's financial position as at 31 December 2015 and of its performance for the year ended on that date, and
- b) complying with Australian Accounting Standards to the extent described in Note 1, the *Sydney Mechanics' School of Arts Incorporation Act of 1886 (amended in 1929 and 1940)* and the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial statements have been prepared to assist Sydney Mechanics' School of Arts to meet the requirements of the *Sydney Mechanics' School of Arts Incorporation Act of 1886 (amended in 1929 and 1940)* and the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial statements may not be suitable for another purpose.

Signed at Wahroonga this 19th day of February 2016.

MANSER TIERNEY & JOHNSTON
Chartered Accountants


.....
BRIAN J TIERNEY
Partner

5

SYDNEY MECHANICS' SCHOOL OF ARTS
ABN 29 720 771 090

BALANCE SHEET
AS AT 31 DECEMBER 2015

	Note	2015	2014
CURRENT ASSETS			
Cash	2	187,181	354,774
Receivables	3	36,535	10,170
Investments	4	2,539,400	2,350,000
Other	5	<u>162,377</u>	<u>123,366</u>
TOTAL CURRENT ASSETS		<u>2,925,493</u>	<u>2,838,310</u>
NON-CURRENT ASSETS			
Property , Plant and Equipment & Library Books	6	<u>22,143,126</u>	<u>20,253,709</u>
TOTAL NON-CURRENT ASSETS		<u>22,143,126</u>	<u>20,253,709</u>
TOTAL ASSETS		<u>25,068,619</u>	<u>23,092,019</u>
CURRENT LIABILITIES			
Creditors and Borrowings	7	187,972	80,990
Other	8	<u>198,870</u>	<u>142,897</u>
TOTAL CURRENT LIABILITIES		<u>386,842</u>	<u>223,887</u>
NON-CURRENT LIABILITIES			
Provisions	9	<u>12,386</u>	<u>6,561</u>
TOTAL NON-CURRENT LIABILITIES		<u>12,386</u>	<u>6,561</u>
TOTAL LIABILITIES		<u>399,228</u>	<u>230,448</u>
NET ASSETS		<u>\$24,669,391</u>	<u>\$22,861,571</u>
EQUITY			
Reserves	10	8,487,993	6,705,645
Retained Earnings	11	<u>16,181,398</u>	<u>16,155,926</u>
TOTAL EQUITY		<u>\$24,669,391</u>	<u>\$22,861,571</u>

**SYDNEY MECHANICS' SCHOOL OF ARTS
ABN 29 720 771 090**

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015**

	2015	2014
Revenue	1,635,347	1,694,115
Employee benefits expense	(544,005)	(478,052)
Depreciation expense	(161,980)	(47,796)
Insurance	(32,637)	(33,181)
Other expenses	<u>(871,253)</u>	<u>(1,036,538)</u>
OPERATING SURPLUS FOR THE YEAR	<u>25,472</u>	<u>98,548</u>
Surplus for the year before Income Tax Expense	25,472	98,548
Income tax expense	<u>-</u>	<u>-</u>
SURPLUS FOR THE YEAR	<u>\$ 25,472</u>	<u>\$ 98,548</u>

7

SYDNEY MECHANICS' SCHOOL OF ARTS
ABN 29 720 771 090

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015	2014
Cash Flow from Operating Activities			
Receipts from customers		1,527,188	1,639,412
Grant received		-	-
Payments to suppliers and employees		(1,477,351)	(1,326,719)
Interest received		<u>79,040</u>	<u>106,802</u>
Net cash provided by (used in) operating activities	13(b)	<u>128,877</u>	<u>419,495</u>
Cash Flows from Investing Activities			
Payments for property, plant and equipment		(70,813)	(16,730)
Proceeds from/(payments for) investments		<u>(225,657)</u>	<u>(315,000)</u>
Net cash used in investing activities		<u>(296,470)</u>	<u>(331,730)</u>
Cash Flows from Financing Activities			
		-	-
Net cash used in financing activities		-	-
Net Increase/(Decrease) in Cash Held		(167,593)	87,765
Cash at the Beginning of the Financial Year		<u>354,774</u>	<u>267,009</u>
Cash at the End of the Financial Year	13(a)	<u>\$ 187,181</u>	<u>\$ 354,774</u>

SYDNEY MECHANICS' SCHOOL OF ARTS
ABN 29 720 771 090

INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015	2014
INCOME		
Interest	85,866	91,051
Members Subscriptions	11,374	11,301
Sundry Income	2,022	5,497
Surplus on Rental Operations	<u>871,191</u>	<u>714,237</u>
	<u>970,453</u>	<u>822,086</u>
Less:		
EXPENDITURE		
AGM Costs	3,360	2,318
Audit Fees	14,420	14,050
Bank Charges	764	650
Board and Member Amenities	2,485	2,771
Computer Expenses	17,919	18,711
Consultancy Fees	19,630	15,225
Depreciation	161,980	47,796
Grants, Scholarships & Awards	42,100	10,780
Insurance	4,431	2,797
Legal Costs	3,416	5,119
Library - Books and Magazines	48,611	42,720
Postage	749	669
Printing and Stationery	7,369	12,807
Marketing & Advertising	10,151	17,448
Members' Events	11,708	15,473
Other Expenses	7,834	5,317
Repairs & Maintenance	7,109	495
Salaries	497,015	433,999
Staff Amenities and Catering	2,354	2,364
Subscriptions	6,084	6,662
Superannuation	44,636	41,689
Telephone	8,621	7,912
Thomas Keneally Centre Costs	6,021	5,212
Training and Development	4,189	3,446
Valuations	5,600	1,500
Workers Compensation Insurance	<u>6,425</u>	<u>5,608</u>
	<u>944,981</u>	<u>723,538</u>
OPERATING SURPLUS FOR THE YEAR	<u>25,472</u>	<u>98,548</u>
SURPLUS FOR THE YEAR	<u>\$ 25,472</u>	<u>\$ 98,548</u>

9

SYDNEY MECHANICS' SCHOOL OF ARTS
ABN 29 720 771 090

RENTAL INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015	2014
INCOME		
Rent	1,325,103	1,324,577
Facilities Rental	<u>210,982</u>	<u>261,689</u>
	<u>1,536,085</u>	<u>1,586,266</u>
Less:		
EXPENDITURE		
Agent Letting Fees	-	891
Major Building Maintenance	200,000	360,000
Cleaning	63,846	73,908
Council Rates	52,965	51,673
Electricity	87,193	104,329
Insurance	28,206	33,181
Maintenance	140,750	159,752
Natural Gas	17,297	16,542
Property Management	38,696	37,901
Safety	4,570	4,529
Security	22,434	21,108
Water Rates	<u>8,937</u>	<u>8,215</u>
	<u>664,894</u>	<u>872,029</u>
SURPLUS ON RENTAL OPERATIONS	<u>\$ 871,191</u>	<u>\$ 714,237</u>

**SYDNEY MECHANICS' SCHOOL OF ARTS
ABN 29 720 771 090**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

Note 1 – Summary of Significant Accounting Policies

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the *Sydney Mechanics' School of Arts Incorporation Act of 1886 (amended in 1929 and 1940)* and the *Australian Charities and Not-for-profits Commission Act 2012*. The Board has determined that the association is not a reporting entity.

The financial statements have been prepared on an accruals basis and are based on historical costs and do not take into account changing money values, or except where specifically stated, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of these financial statements.

a) Property, Plant and Equipment & Library Books

Land and Building are included at independent valuation as identified in "d)" Asset Revaluation. Plant and Equipment are included at cost less depreciation over their estimated useful lives. Library Books are included at independent valuation as at 26 March 2012, except for the Thomas Keneally collection which was independently valued on 15 March 2012.

b) Investments

Investments are brought to account at cost. Interest is brought to account on an accruals basis.

c) Employee Entitlements

Provision is made for the liability for employee entitlements arising from services rendered by employees to balance date.

d) Asset Revaluation

An independent valuation of land and building was completed in December 2011 by AssetVal Pty Ltd after assessing the value of the property based upon information tendered including the current leases, out-goings and related property issues. It is the School's intention to revalue the land and building every five years.

e) Cash

For the purposes of the statement of cash flows, cash includes cash on hand and at call deposits with banks or financial institutions, and does not include term deposits.

f) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable.

**SYDNEY MECHANICS' SCHOOL OF ARTS
ABN 29 720 771 090**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

Note 1 – Summary of Significant Accounting Policies (cont'd)

g) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances 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 in the Balance Sheet are shown inclusive of GST.

Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST components of investing and financing activities, which are disclosed as operating cash flows.

h) Income Tax

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

i) Comparative Figures

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

SYDNEY MECHANICS' SCHOOL OF ARTS
ABN 29 720 771 090

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015	2014
Note 2 - Cash		
Cash on Hand	750	750
Cheque Account	84,060	25,812
Cash Management Account	102,371	328,212
	<u>\$ 187,181</u>	<u>\$ 354,774</u>
Note 3 - Receivables		
Trade and other Debtors	36,535	10,170
<u>Less: Provision for Doubtful Debts</u>	<u>-</u>	<u>-</u>
	<u>\$ 36,535</u>	<u>\$ 10,170</u>
Note 4 - Investments		
Term Deposits	<u>\$ 2,539,400</u>	<u>\$ 2,350,000</u>
Note 5 - Other Assets		
Rental Bonds	92,544	56,332
Interest Receivable	41,503	34,677
Prepayments	28,330	32,357
Other Receivables	-	-
	<u>\$ 162,377</u>	<u>\$ 123,366</u>
Note 6 - Property, Plant and Equipment and Library Books		
Land - at 2015 independent valuation (2014 at 2011 valuation)	8,500,000	8,500,000
Add: Desktop revaluation 2014	-	1,565,000
	<u>8,500,000</u>	<u>10,065,000</u>
Building - at 2015 independent valuation (2014 at 2011 valuation)	11,800,000	7,000,000
Add: Desktop revaluation 2014	-	1,285,000
	<u>11,800,000</u>	<u>8,285,000</u>
Plant and Equipment - at cost	945,390	874,577
<u>Less: Accumulated depreciation</u>	<u>(480,051)</u>	<u>(318,071)</u>
	<u>465,339</u>	<u>556,506</u>
Library Books - Thomas Keneally Centre - at independent valuation	123,665	93,081
Library Books - at 2012 independent valuation	<u>1,254,122</u>	<u>1,254,122</u>
	<u>1,377,787</u>	<u>1,347,203</u>
Total - at cost & valuation	22,623,177	20,571,780
<u>Less: Accumulated depreciation</u>	<u>(480,051)</u>	<u>(318,071)</u>
	<u>\$ 22,143,126</u>	<u>\$ 20,253,709</u>

13

SYDNEY MECHANICS' SCHOOL OF ARTS
ABN 29 720 771 090

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015	2014
Note 7 - Creditors and Borrowings		
Trade and other Creditors	<u>\$ 187,972</u>	<u>\$ 80,990</u>
Note 8 - Other Current Liabilities		
Accruals	42,985	36,242
GST	17,332	14,044
Payroll Liabilities	42,792	36,279
Rental Bonds	95,761	56,332
	<u>\$ 198,870</u>	<u>\$ 142,897</u>
Note 9 - Provisions		
Provision for Long Service Leave	<u>\$ 12,386</u>	<u>\$ 6,561</u>
Note 10 - Reserves		
<u>Asset Revaluation Reserves</u>		
Books	234,706	204,122
Land	6,700,000	8,265,000
Buildings	<u>293,271</u>	<u>(3,221,729)</u>
	<u>7,227,977</u>	<u>5,247,393</u>
<u>Major Building Maintenance and Refurbishment Reserve</u>		
Opening Balance	1,458,252	1,166,078
Add: Annual Capital and Maintenance Forecast	<u>200,000</u>	<u>360,000</u>
	1,658,252	1,526,078
Less: Expensed for the year	<u>(398,236)</u>	<u>(67,826)</u>
Closing Balance	<u>1,260,016</u>	<u>1,458,252</u>
Total Reserves	<u>\$ 8,487,993</u>	<u>\$ 6,705,645</u>

SYDNEY MECHANICS' SCHOOL OF ARTS
ABN 29 720 771 090

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015	2014
Note 11 - Retained Earnings		
Retained earnings at 1 January	16,155,926	16,057,378
Surplus for the Year	<u>25,472</u>	<u>98,548</u>
	16,181,398	16,155,926
Asset Revaluations and Major Building Maintenance Provision	<u>-</u>	<u>-</u>
	16,181,398	16,155,926
Transfer from/(to) Reserves	<u>-</u>	<u>-</u>
Retained earnings at 31 December	<u><u>\$16,181,398</u></u>	<u><u>\$16,155,926</u></u>

Note 12 - Capital Commitments / Contingent Liability

The School has no capital commitments as at the date of this report.

Note 13 - Cash Flow Information

(a) Reconciliation of Cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Cash on hand	750	750
Cash at bank	84,060	25,812
At Call Investment Account	<u>102,371</u>	<u>328,212</u>
	<u><u>\$ 187,181</u></u>	<u><u>\$ 354,774</u></u>

(b) Reconciliation of cash flow from operations with profit from ordinary activities

Profit/(Loss) from ordinary activities	25,472	98,548
Non-cash flows in profit from ordinary activities		
- Depreciation and amortisation	161,980	47,796
- Major building works	200,000	360,000
Changes in assets and liabilities		
- (Increase)/decrease in receivables	(26,365)	20,064
- (Increase)/decrease in prepayments	4,072	(8,195)
- (Increase)/decrease in interest receivable	(6,826)	15,751
- Increase/(decrease) in payables	162,955	(46,139)
- Increase/(decrease) in provisions	5,825	(504)
- Increase/(decrease) in reserves	<u>(398,236)</u>	<u>(67,826)</u>
Net cash provided by (used in) operating activities	<u><u>\$ 128,877</u></u>	<u><u>\$ 419,495</u></u>

All images are © Sydney Mechanics' School of Arts and are held in the collection of the Sydney Mechanics' School of Arts unless otherwise specified below.

Page 4

SMSA promotional flyer, c1920-1930, held in the collection of the Sydney Mechanics' School of Arts.

Page 5

Edmund Barton 1902, Swiss Studios, photographers., courtesy of the State Library of Victoria, Accession no. H37421

Page 7

His Excellency General The Honourable David Hurley, AC DSC (Ret'd), Governor of New South Wales, courtesy of the Office of the Governor of New South Wales, Government House.

Back Cover

The Library from the Working Men's College Report from the Committee of the Technical College at the Sydney Mechanics' School of Arts to the Honorable the Minister of New South Wales, 1881, held at Sydney Mechanics' School of Arts.



Sydney Mechanics' School of Arts
280 Pitt Street, Sydney NSW 2000



SMSA
SYDNEY MECHANICS'
SCHOOL OF ARTS EST 1833

MAKING A DIFFERENCE THROUGH LEARNING