



ABN 76 470 896 415

The Royal Society of New South Wales
“for the encouragement of studies and investigations in Science Art Literature and Philosophy”

Annual Report of Council for the year ending 31 December 2018

Appendix:
Financial Report 2018



The Royal Society of New South Wales

Annual Report of Council for the year ending 31 December 2018

ABOUT THE SOCIETY

The Society is the oldest learned society in the Southern Hemisphere, tracing its origin to the *Philosophical Society of Australasia*, founded in Sydney in 1821. It became *the Royal Society of New South Wales* by Royal Assent in 1866 and was incorporated by an Act of the NSW Parliament in 1881. The Society exists for ...*the encouragement of studies and investigations in Science Art Literature and Philosophy...*, in particular: publishing results of investigations in its *Journal and Proceedings*; conducting monthly meetings; awarding prizes and medals; and by liaison with other learned societies within Australia and internationally.

Membership is open to any person whose application is acceptable to the Society under guidelines that may be modified from time-to-time. The Society welcomes both members and non-members to its activities.

OFFICE-BEARERS

The office-bearers of the Council of the Society were unanimously elected at the Annual General Meeting held on Wednesday 4 April 2018. For the ordinary members there was an election as there were 13 candidates for 10 positions. Thanks go to Peter Baume AC DistFRSN who acted as the returning officer and supervised the election by ballot. The following Council hold office from 4 April 2018 until the next Annual General Meeting in April 2019:

Patron	His Excellency The Hon General David Hurley AC DSC (ret'd) Governor of New South Wales
President	Em Prof Ian Sloan AO FRSN FAA
Vice-Presidents	Mr John Hardie FRSN Em Prof Brynn Hibbert AM FRSN Ms Judith Wheeldon AM FRSN
Hon Secretary (Ed)	Em Prof Robert Marks FRSN
Hon Secretary (Gen)	Dr Herma Buttner FRSN
Hon Treasurer	Mr Richard Wilmott MRSN
Hon Librarian	Dr Ragbir Bhathal FRSN
Hon Webmaster	A/Prof Christopher Bertram FRSN
Councillors	Dr Erik Aslaksen FRSN Dr Mohammad Choucair FRSN Em Prof Robert Clancy AM FRSN Dr Laurel Dyson MRSN Dr Donald Hector AM FRSN Ms Margaret Gibson MRSN Ms Virginia Judge FRSN Prof Lt Col Edward James Kehoe FRSN Prof Nalini Joshi AO FRSN FAA Hon Prof Ian Wilkinson FRSN
Southern Highland Chair	Ms Anne Wood FRSN
Executive Office	The Association Specialists

The Council met six times during the reporting period hosted by the Dean's office at the University of Technology Sydney (UTS) and meetings of Council committees were held at various locations. The Council is most grateful for the use of the UTS facilities for its meetings. Committees for Awards, Events, Fellows, Finance and Risk and Publications were active during the reporting period. Under the guidance of the current committee, the branch in the Southern Highlands continues to thrive.

OFFICE LOCATION AND SERVICES

The Society has premises at 121 Darlington Road, University of Sydney. The Society is grateful to the University of Sydney for making this accommodation available to the Society. Back-office services are provided under an outsourcing contract by The Association Specialists, 33-35 Atchison Street, Crows Nest NSW.

PRESIDENT'S REPORT

For the President, 2018 has been an exciting year: a year of consolidation, but also one of growth and development. I took over the role of President in April 2018, part way through the reporting period. I want to begin by acknowledging the great contribution made by Immediate Past President Brynn Hibbert, who in turn was able to build on the reforming presidential efforts of Don Hector.

At this stage of its renovation the Society's effectiveness rests very much on the activities of many willing volunteers. The two Councils in place during the year (2017-18 and 2018-19) have both provided excellent advice and service. I particularly want to mention the sterling efforts of Honorary Secretary Herma Buttner and the steady hand of Honorary Treasurer Richard Wilmott. The three Vice Presidents have all taken on substantial responsibilities: Brynn Hibbert for Fellowship matters, Judith Wheeldon for Voice and Outreach and relations with the State Library of New South Wales, John Hardie for the large task of managing the physical relocation of the bulk of the Society's library from storage to the State Library. Jim Kehoe has efficiently managed the complex task of the Society's Awards, Chris Bertram the Society's web site, Ragbir Bhathal the library, and Erik Aslaksen the contract with The Association Specialists. Ian Wilkinson has capably managed the program of talks at the monthly meetings, and the challenging task of moving the venue to the State Library. Bob Marks has continued his extraordinary efforts as Editor of the Journal and Proceedings of the Royal Society of NSW, and Laurel Dyson has done a marvellous job of producing an interesting, informative and colourful on-line Bulletin every month. Robert Clancy is creating something very special, in the form of the European Tour on the history of Science - a joint project with the State Library of NSW Foundation - which he will lead in 2019.

Highlights of the 2018 for me were the relocation of the Society's library holdings from storage in Minto to the State Library; the very successful Royal Society and Four Academies Forum in November; the successful relocation of the Society's Ordinary General Meetings and Annual Dinner to the State Library; the ongoing productive partnership with the Sydney Mechanics School of Arts (SMSA); and the ongoing excellent relationship with Government House, and with the Office of the Chief Scientist and Engineer; and the improving financial position of the Society.

Looking to the future, I want the Society to do more for the community and its Members and Fellows. To that end I look to see the Society able to employ professional help in its outreach and promotional activities. I hope to see the Forum put onto a permanent footing, with its presentations professionally video-recorded and made publicly available, and with the Four Academies actively involved in its planning and promotion. And all of this while still maintaining the Society's financial health. I look forward to an exciting future!

TREASURER'S REPORT

In 2018, the Society continued to improve its financial strength of the Society: at 31 December

2018, the net assets stood at \$417,821, an increase of \$6,944 over the figure at the same time last year.

Not only did the Society's balance sheet strengthen, but so too did the membership. At this time last year we had 369 financial members. As of early March 2019, that figure had increased to 462. A further 60 members have yet to renew for the current year. It is expected that at least some of these 60 will eventually do so. The audited accounts for the year reveal a surplus \$6,944, against a budgeted figure of \$7,964.

It should be noted that the expense total of \$146,812 includes library expenses of \$9,690 and \$8,490 of which was incurred in restoring and framing the Hargrave drawings and the balance being expenses in storing our Minto collection and then its subsequent transportation to the State Library. These expenses are of a one-off nature and will not be incurred again in 2019.

The audited accounts do not report individual income and expenses for the various events that were held during the year, rather they have been aggregated and reported under income as "Social event income of \$57,354" plus "Academies Forum of \$8,600" and expenses as "Social events \$59,565". Therefore scheduled below is a detailed reconciliation providing a breakdown of these events:

	Income	Expense	Net Result
	\$	\$	\$
Government House Forum:	8600	8263	337
Annual Diner:	20736	16811	3925
OGMs:	31854	32302	(448)
Southern Highlands events:	4764	2052	2712
Other		136	(136)

EVENTS AND LECTURES

The Society's Events Committee comprised:

Chair	Hon Prof Ian Wilkinson FRSN
	Dr Mohammad Choucair FRSN
	Mr John Hardie FRSN
	Prof Jim Kehoe FRSN
	President (<i>ex officio</i>)
	Honorary Secretary (<i>ex officio</i>)

A number of successful events were held during the year.

The OGM/AGM Open Lectures: The Society held a full program of ten monthly open lectures as part of its OGM and AGM meetings. As a result of the development of the Society's partnership with the State Library of NSW these were relocated from the Union University and Schools Club to the State Library starting in June. The lectures covered a wide range of topics which described on the Society's website. They were generally well received with the numbers up on previous years. The dinners following the lecture was also well attended. At the December 5th OGM, the Society held its annual Christmas Party, which was preceded by the 2018 Jak Kelly Award lecture.

Annual Dinner: This was the first event held by the Society at the State Library of NSW on May 18th. The guests of honour were His Excellency General The Honourable David Hurley AC DSC (Ret'd), Governor of New South Wales and Patron of the Royal Society of New South Wales and Mrs Hurley. The Distinguished Fellows Lecture was given by Thomas Kenneally DistFRSN on the topic "Mungo Man Imagined: writing the ultimate historical novel". The event was a great success with nearly 200 attending.

Is the Enlightenment Dead? A series of five talks on this topic, were organised by Em. Professor Robert Clancy and were held in cooperation with the SMSA. They began in late 2017 and continued through to April 2018. Each was well attended.

Great Australians you have never heard of. Following the success of the Enlightenment series of talks a series of five talks, beginning in June, were presented on this topic. Again they were held in cooperation with the SMSA and were all well attended.

Science Week Talks: As part of Science Week in August, a series of four science talks were held in cooperation with the SMSA at their CBD lecture theatre. The talks focused on artificial intelligence, self-driving cars, nanotechnology and wine and health. These were well attended compared to previous years because of the cooperation of the SMSA and the change of venue.

RSNSW and Four Academies Forum. This one day event was held on November 29th and was hosted at Government House by His Excellency General The Honourable David Hurley AC DSC (Ret'd), Governor of New South Wales and Patron of the Royal Society of New South Wales. The focus this year was: "Towards a prosperous yet sustainable Australia: What now for the lucky country?" The Forum began with a talk by the new Chief Scientist of NSW Professor Hugh Durrant-White and brought together a number of distinguished scientists and commentators addressing various issues. The Forum was a great success and well attended. The talks will be the focus of a special issue of the Proceedings of the RSNSW in 2019. The event concluded with a reception at Government House.

Other lectures: The Annual Meeting of the Four Societies was held on March 14th at UNSW at which Professor Robin Grimes of Imperial College London gave a talk on the topic "Exciting Materials for Energy Applications in 2050". The *Pollock Memorial Lecture* was given by Professor Andrea Morello, UNSW on May 2nd at UNSW on the topic of "Quantum Information, Computing and Communication". The *Poggendorff Lecture* was given by Professor Brent Kaiser, University of Sydney, on August 1st at the University of Sydney on the topic "Establishing a sustainable nitrogen diet to agricultural intensive cropping industries".

FELLOWS

In the year ending April 2018, the Society's Fellows Committee comprised:

Chair	Em Prof Brynn Hibbert AM FRSN
Secretary	Dr Erik Aslaksen FRSN
	Prof Michael Archer AM DistFRSN
	Prof Max Crossley FRSN
	Dr Donald Hector AM FRSN
	Em Prof Heinrich Hora FRSN
	Ms Judith Wheeldon AM FRSN
	President (<i>ex officio</i>)
	Honorary Secretary (<i>ex officio</i>)

Meetings were held in February, April, June, August, October and December. Sixty two fellowship recommendations were made to Council and OGM. These included intellectual leaders from all areas of interest to the Society; in addition to academics, fellows from the law, practicing artists, ex-armed services, ex-government service; university chancellors and vice-chancellors, were appointed.

In February the NSW Government Gazette listed the Fellows and Distinguished Fellows of the Society. See: https://gazette.legislation.nsw.gov.au/so/download.w3p?id=Gazette_2018_2018-13.pdf. New Fellows and Distinguished Fellows will be published in the NSW Government Gazette each year.

There are 319 Fellows and 21 Distinguished Fellows of the Society. No Distinguished Fellows were appointed during 2018.

AWARDS

The Awards Committee of Council was constituted as follows:

Chair	Prof Lt Col Edward James Kehoe FRSN
	Em Prof Stephen Hill AM FRSN
	Em Prof Heinrich Hora FRSN
	Em Prof Robert Marks FRSN
	Em Prof Bruce Milthorpe FRSN
	A/Prof William Sewell FRSN
	President (<i>ex officio</i>)

Honorary Secretary (*ex officio*)

The Awards Committee received twenty six nominations for six awards and two scholarships. This year, the newly appointed Chief Scientist and Engineer of NSW, Professor Hugh Durrant-Whyte and the Deans of Science and Engineering in NSW universities were invited to form an Advisory Panel to assist the Committee. With Em Prof Ian Sloan, Em Prof Bruce Milthorpe and Prof Lt Col E. James Kehoe as observers, the panel ranked the candidates and gave advice on their merits. This advice was communicated to the Awards Committee who made final recommendations to the Council which adopted most of the advice at its November meeting.

The Awards are as follows:

Clarke Medal (zoology):	Professor Emma Johnston AO FRSN	UNSW
History & Philosophy of Science Medal:	Professor Paul Griffiths FRSN	U Sydney
James Cook Medal:	Professor Elizabeth Elliott AM FRSN	U Sydney
Poggendorff Lecture:	Professor Robert F. Park FRSN	U Sydney
Edgeworth David Medal:	A/Professor Elizabeth J. New FRSN	U Sydney

The above awards will be presented at the Annual Dinner, 10 May 2019.

RSNSW Scholarship:	Fiona McDougall	Macquarie University
RSNSW Scholarship	Evelyn Todd	U Sydney;

The Scholarships were presented at the OGM, 6 February 2019.

The Jak Kelly award made by the Royal Society of NSW in conjunction with the Australian Institute of Physics was presented to Ms Anita Petzler (Macquarie University) at the December 2018 OGM.

NOMINATIONS

The Nominations Committee of Council was constituted as follows:

Chair	Dr Donald Hector AM FRSN
	Prof Graham Bell FRSN
	EM Prof Bruce Milthorpe FRSN
	Ms Judith Wheeldon AM FRSN
	Adj/Prof Robert Whittaker FRSN
	President (<i>ex officio</i>)
	Honorary Secretary (<i>ex officio</i>)

The purpose of the committee is to oversee the nominations process and increase awareness of the Society by encouraging nominations for Fellowship and Membership. The committee only met once during 2018, in September. Focus continues to be on building the general membership body so that Membership and Fellowship Numbers grow in parallel, together with a continued emphasis on broadening the diversity of membership.

VOICE and OUTREACH

The Voice and Outreach Committee of Council was constituted as follows:

Chair & Secretary	Ms Judith Wheeldon AM FRSN
	Dr Ragbir Bhathal FRSN
	Em Prof Robert Clancy AM FRSN
	Dr Len Fisher FRSN
	Mr John Hardie FRSN
	Dr Donald Hector AM FRSN
	Em Prof Brynn Hibbert AM FRSN
	Em Prof Stephen Hill AM FRSN
	Ms Helen Jones MRSN (from October 2018)
	Mr Rory McGuire MRSN
	President (<i>ex officio</i>)
	Honorary Secretary (<i>ex officio</i>)

The Voice and Outreach Committee, formed in 2016, has not been successful in finding a secretary

with the result that publication of minutes and annual reports has been erratic with the Chair trying to fill the gap. The committee, however, has been effective in producing ideas and actions to assist the Society in reaching its strategic goals. The Committee operates through deep discussion of ideas presented by Committee members to make decisions about what to pursue; leadership of the recommended project is then taken by one of the members.

Most significant has been the approach made to the *State Library of NSW* to form a strategic relationship in which the Society would find a “home” at the State Library, a place for regular meetings and public events that would reflect the purposes and the place in history of the Royal Society of NSW and, very importantly, allow a better fulfilling of the Society’s charter to make its own library collection available to the people of New South Wales. In return, the Society would support the State Library in its strategic goal of enriching the intellectual conversation on all manner of issues of interest to the public and related to our charter. Judith Wheeldon conducted this negotiation and thanks Dr John Vallance, State Librarian, for his enthusiastic support of this relationship.

This relationship is now official and is in early and successful stages of development. Monthly Ordinary General Meetings and the dinner afterwards are held in the Gallery Room and Friends Room; a small meeting room and, when needed, rooms for larger committee meetings are available for our use. The State Library has enabled the Committee to establish our first group of volunteers to assist us in major projects.

The Society’s library collection has been moved from storage at Minto and from the offices at the University of Sydney. In both places books were almost inaccessible and stored in less than satisfactory physical conditions. Honorary Librarian Ragbir Bhathal and Vice President John Hardie have done an excellent job in overseeing the move and beginning to assess and repair the collection. In this, they now have the assistance of volunteers from our own membership who are providing invaluable service to preserve our collection and make it available. We thank our first volunteers: Tony Burrell, Ian Bryce, Eva Burns, Julie Cameron, Hannah Hibbert, Robert Marks and Bruce Ramage.

The State Library has been extremely cooperative in supporting our work and sharing their expertise so that we fit smoothly into State Library systems. This is a major and necessary step forward in achieving our bigger goals.

Stephen Hill has proposed and worked towards a *Fellows Database and Speakers Bureau* drawn from the Society’s Fellowship. This is a coordinated list of Fellows and Distinguished Fellows who are willing to share their expertise with others through speaking to groups or giving private advice on important topics. The goal is that authoritative, disinterested advice be available to decision makers and public organisations on important issues.

Robert Clancy created a new concept for *lecture series* on a range of thematic topics. The first was the highly successful *co-sponsorship with the Sydney Mechanics’ School of Arts* of a series of six lectures on the Enlightenment, closely followed by a series on “Great Australians You Never Heard Of”, in which surprisingly little known Australians were discovered to have made fascinating contributions to science and culture. Two new series have begun in 2019: “Women and Science” and “Speaking of Music”. We thank the SMSA for their strong support in our continued relationship.

Robert Clancy is also the force behind the Society’s first ever *overseas tour*, this time on the history of science, visiting Italy, France and England departing September 2019. Robert is experienced in constructing and leading such tours and has designed this one specifically around the interests of our Society.

Len Fisher is in Australia only half of each year but he has been able to broadcast an ABC *Ockham’s Razor* programme under the banner of the Royal Society of NSW.

In searching for ways to better engage our members, the Committee developed the idea of a regular after-work social event which has become the “*Thirsty Thursday*” informal drinks and nibbles chance for Members and Fellows to talk and share ideas. Robert Clancy has taken on the organisation of this event to start in 2019.

Busy Robert Clancy has also written a *history of Australian science* and offered it to the Society to publish. Judith Wheeldon has offered assistance in editing.

On the basis of these projects and the work they require, the Voice and Outreach Committee has proposed the appointment of an Executive Officer to work part-time on tasks that promote the goals and projects of the Society, using the small meeting room at the State Library of NSW as an office. Tasks would include publicity and event promotion, public relations, publications, record keeping, fund raising and supporting events. The Committee sees this staff member as essential to maintaining the present level of activity of the Society, let alone moving forward.

All together, the Voice and Outreach Committee has found its feet and had a very successful and productive year. The Committee Chair thanks the members for their ideas, discussions and leadership.

JOURNAL AND PROCEEDINGS

The Journal published two issues in 2018, the June issue which documented the presentations made in November 2017 at the Four Academies Forum, and the December issue which included submitted papers, invited papers, and reprinted papers. Both issues also included abstracts of recent PhD dissertations. The print run for the December issue was 300, given the growing number of subscriptions.

Preparations are under way for the June 2019 issue, but there is an increasing reluctance among Forum participants to write up their presentations as papers. And there is no flood of suggestions from universities of excellent PhD theses to be abstracted. An omission in the online archive of the Journal's contents from 1867 and earlier was rectified when Issue 2, Volume 115, 1982, was uploaded. The online archive reduces the value of the printed back issues, and the move into the State Library has meant making an inventory of these, with the intent of making any surplus volumes available to interested parties.

A hiccup with the US distribution company EBSCO was the result of an error on their part, which was eventually resolved. The Journal is planning to partner with *the Australian and New Zealand Humboldt Associations* to publish an extra edition of the proceedings of their 2019 conference, a first.

LIBRARY

The Library experienced interesting and exciting times in 2018 with negotiations with the State Library of NSW regarding the provision of an environmentally controlled room to house the Society's collections of books, journals, photographs, etc. from the Minto warehouse and the Darlington Office. Discussions were also held with SMSA to hold some of the collections in their Library on a rotating basis. In both cases the negotiations were successful. The negotiations were led by Judith Wheeldon, John Hardie and Robert Clancy.

The Darlington collection, comprising around 15% of the total, are previously valued at about \$200,000 and we now propose to engage a valuer to value the rest of the collection at the State Library. The total collection forms an important intellectual and historical asset of the history of Australian and international science. What remains at the Darlington office are some of the Society's archives. The books and journals sent to the State Library have been taken out of boxes and placed on shelves in the so-called 'glass stack' by our small group of volunteers. Individual titles have been grouped together and the multiple copies of the Society's *Journal and Proceedings* placed into boxes for removal to the Darlington office where they will be sorted. The Society wishes to thank its volunteers for their hard work with this project.

The major work for the next period will be to list and catalogue the collection with the assistance of State Library staff and our volunteers. The Society's collection will be catalogued in the same cataloguing system that is used by the State Library. This will allow members of the public and scholars to access the collections using the State Library's system.

The Society's President, Ian Sloan, donated a book (*Contemporary Computational Mathematics - A Celebration of the 80th Birthday of Ian Sloan*) to the Society's Library. Members and Fellows of the Society are encouraged to donate a copy or copies of their publications to the Society's Library. This is to ensure that the Library will grow in the years ahead. It is also intended to search for books

written by previous Members and Fellows and include them in the Society's collection.

The donation to the Library of a collection of photographs of aviation photographs by Lawrence Hargrave will be sent for restoration. This group of photographs is very important in the historical record of Hargrave's significant role in solving the problem of flight. It is envisaged that all the material from the Hargrave collection will be restored by the end of the next financial year.

THE BULLETIN

The Bulletin of the Society was published monthly during the year, except for the Christmas holidays. During 2018, the size of the Bulletin grew by more than 50%, reflecting the many lectures held by the Society and various collaborative events, such as the lecture series held in conjunction with the Sydney Mechanics' School of Arts. The Bulletin continues to provide a permanent record of all these events of the Society and reflects its continued vibrancy.

The Council thanks the authors of short articles and for information submitted to the Bulletin, particularly Anne Wood FRSN for her contributions regarding the public lectures held by the Southern Highlands Branch. Appreciation is also expressed of Dr Herma Buttner FRSN for her thorough reports of the OGMs and Dr Donald Hector AM FRSN for his excellent photographs. The Council also wishes to thank other members who assisted in its preparation and distribution, particularly the editor of the Bulletin, Dr Laurel Evelyn Dyson.

THE WEB

The RSNSW website continues to be satisfactorily administered on a devolved-responsibility basis. Thanks are due to ex-President Brynn Hibbert, Events Manager Ian Wilkinson, retiring Secretary Herma Buttner, and Journal Editor Robert Marks, for ably managing the updating of sections of the site (respectively, Fellows/Awards articles and Bulletin uploads, Events posts, Governance/Membership articles and associated downloadable documents, JProcRSNSW articles).

Jeremy Webster's firm Ezerus was again engaged in July to upgrade the software components used on the site. Keeping the software current is vital in avoiding a recurrence of untoward events such as the site hack that occurred in May 2017. The following components were upgraded: Joomla, EasyBlog, DOCman, JCE Editor, Breezing Forms, GoogleMaps, and PHP. The new EasyBlog plug-in has support for Mail Chimp. Ezerus adjusted PHP, HTML, CSS and server settings to fix issues encountered after upgrading, and Joomla core configuration files to assist with reliability.

To increase the visibility of RSNSW news beyond recent and forthcoming events (formerly available only via the Events/News dropdown), I introduced an additional section Recent News on the home page, whereon teasers to the most recent of additions to the News posts are featured. These teasers link through to the actual News posts in the same way as do the events teasers. This change seems to have been popular with the usual website-critic suspects, and in particular with current President Ian Sloan. One of our Fellows, Robert Whittaker, has been particularly active in drawing the attention of the relevant Council members to matters for that section (and to omissions from the postnominals on the Fellows page).

The Council-only part of the site uses a different content management system (WordPress), and interfaces with Dropbox. It consists of four sections, relating to the Society's Council, the Fellows committee, the Awards committee, and the Nominations committee, although this last has not been used. Secretary Herma has on an ongoing basis uploaded all Council-business documentation to the site, where it is available to Council members. Following resolution in September of a problem with moving files and folders (largely through my actions, but also with input from Rachel Greenwood of TAS), Herma reorganised the three in-use Council-only folder sections to more logical sub-structures.

In January 2019, a new security feature was implemented, involving the purchase of a Secure Socket Layer certificate from our internet host Panthur (additional to the existing free SSL certificate arrangement at content delivery network CloudFlare). The observant will have noted

the resulting appearance of a green padlock symbol in the URL address bar of their browser. This change gave rise to mail issues for a couple of users, which are believed now to have been resolved, albeit this has yet to be confirmed.

During the year, the wish to see new images on the home page of the site was expressed by ex-President Brynn, former President Donald Hector, and Events Manager Ian. This part of the site uses the software Smart Slider to cycle through a number of images indicative of what the Society does. These people were accordingly invited to identify a set of replacement images which are suitable in terms of aspect ratio, personnel and gender diversity, and reflecting the span of Society activities.

CONTRACT MANAGEMENT

The yearly review of the Society's contract with The Association Specialists (TAS) was held on 18 January 2019, and the main outcomes were:

- On the whole, the Society is satisfied with the service provided by TAS.
- A small, but ongoing concern of the Society is the relatively frequent change of the person responsible within TAS for providing the service and acting as the contact to the Society. It was agreed that TAS would pay more attention to this issue.
- A number of minor adjustments in the operations on both sides were agreed in the interest of greater efficiency.
- The Society requested that TAS provide a quote for some possible additional services; this quote was received on 26.02.2019 and is currently under consideration by the Executive Committee.
- The contract terms, including costs, remain unchanged for 2019.

SOUTHERN HIGHLANDS BRANCH

The Southern Highlands Branch Committee for 2018/2019 was:

Chair	Mr Hubert Regtop
Vice Chair	Dr John Wright AM FRSN
Honorary Treasurer	Dr Mike Jones
Honorary Secretary	Ms Anne Wood FRSN
Committee	Mr Peter Eustace Mr Ted Smith Ms Andrea Talbot

This has been the first full year that the Royal Society Southern Highlands (RSSH) has conducted its lectures at the Mittagong RSL. Lectures have attracted large audiences as in previous years. The lecture room offered to us at the venue has been the Nattai/Joadja facility. This theatre is very comfortable and well-equipped, and our audiences have reported that they much prefer this location to our previous site of the Chevalier College Performing Arts Centre. There are many reasons given for this preference. Parking is well lit and easily accessed, meals and drinks are readily available on-site, and the RSL offers very good support for the IT/audio facilities in their conference rooms. Our speakers, to whom we offer overnight accommodation, have also expressed their pleasure at our choice of the Springs Resort motel, which is conveniently located on the same site as the RSL building.

The RSL management team have indicated their support for the non-profit nature of our organization by granting us a scholarship which allows free use of their facilities. This represents a saving of many thousands of dollars per year. One of our committee members, Peter Eustace, made our first successful application. We are hoping that this arrangement can be repeated each year.

It should be noted that Chevalier College Management have always been extremely supportive of our Royal Society Branch, advertising our events and lectures in their newsletters, offering strong IT support and generously offering the use of their facilities at no cost to us. We have expressed our thanks to them for their wonderful contribution over many years to the establishment and growth of the Royal Society Southern Highlands Branch, and to their very practical support of its goals and objectives.

As in previous years, much of our success has been due to the support we receive from media outlets such as ABC Illawarra and local newspapers. We still find that our email lists are very effective

in encouraging residents to support their Southern Highlands Branch. The listings are continually growing as we offer the opportunity at each lecture for attendees to provide their contact details.

As noted previously, our membership remains extremely low, although attendances overall are high. At any particular lecture, the audience consists largely of people interested in that evening's topic. We are noting now a contingent of Goulburn residents frequently attracted to the lectures, and we see increased Sydney numbers too. Another interesting feature noted is that, after a lecture, our lecturers sometimes plan a long weekend in this lovely part of Australia.

The following summarises our program and attendances for the past 12 months:

15 March 2018 Dr Bradley Tucker: Black Holes and the Milky Way (Attendance 58)

12 April 2018 Professor Anne Cutler: Language in the first year of life: Babies are working harder than we think (Attendance 48)

17 May 2018 Professor Gordon Parker: An Overview of depression in our Society (Attendance 48)

21 June 2018 Dr David Suggett: Future Reefs: How climate change will impact coral reefs (Attendance 40)

19 July 2018 Dr Ken McCracken: Ice Ages, Big and Small (Attendance 90)

16 August 2018 Dr Philip Cam: Philosophy in Schools (Attendance 73)

20 September 2018 Professor Richard "Bert" Roberts: When did Australia's History Begin? (Attendance 51)

18 October 2018 Dr Hugh Mackay: The State of the Nation Starts in your Street (Attendance 83)

15 November 2018 Dr Brent Jacobs: Sydney Food Futures: Competing priorities for Sydney's fertile farmland (Attendance 50)

21 February 2019 Professor Rodney Croft: The Effect of Non-Ionising Radiation on our Health (Attendance 65).

ANNUAL GENERAL MEETING

The annual general meeting of the Society will be held on Wednesday 3 April 2019 at 6pm at the State Library of NSW, Shakespeare Place, Sydney.



PRESIDENT

Ian H. Sloan AO FAA FRSN

On behalf of the Council of the Royal Society of NSW

THE ROYAL SOCIETY OF NEW SOUTH WALES

A.B.N. 76 470 896 415

FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

THE ROYAL SOCIETY OF NEW SOUTH WALES

A.B.N. 76 470 896 415

COUNCIL'S REPORT

The Council presents their report on the Society for the year ended 31 December 2018.

COUNCIL MEMBERS

The names of the councillors throughout the year and at the date of this report unless stated otherwise are:

President – Em. Prof Ian Sloan AO FRSN
Vice President – Em. Prof David Hibbert Brynn AM FRSN (immediate past President)
Vice President – Mr John Hardie FRSN
Vice President – Ms Judith Wheeldon AM FRSN
Honorary Secretary – Dr Herma Buttner FRSN
Honorary Secretary – Em. Prof Robert Marks FRSN
Honorary Treasurer – Mr Richard Wilmott MRSN
Honorary Librarian - Dr Ragbir Bhathal FRSN
Honorary Webmaster – A/Prof Christopher Bertram FRSN
Councillor – Dr Erik Aslaksen FRSN
Councillor – Dr Mohammed Chouair FRSN
Councillor – Em. Prof Robert Clancy AM FRSN
Councillor – Dr Laurel Dyson MRSN
Councillor – Prof James Kehoe FRSN
Councillor – Hon. Prof Ian Wilkinson FRSN
Councillor – Hon. Virginia Judge FRSN
Councillor – Professor Nalini Joshi AO FRSN
Councillor – Dr Donald Hector AM FRSN
Councillor – Ms Margaret Gibson FRSN

PRINCIPAL ACTIVITIES

The principal activities of the Society during the financial year were to encourage studies and investigations in Science, Art, Literature and Philosophy.

SIGNIFICANT CHANGES

No significant change in the nature of these activities occurred during the year.

OPERATING RESULT

The Society produced a profit (loss) from ordinary activities for the financial year amounting to \$6,944 (2017: loss of \$4,817). There was no requirement to provide for income tax.

Signed in accordance with a resolution of the council members of the Society.

Councillor:



Dated this 20th day of March

2019

TINWORTH & Co

CHARTERED ACCOUNTANTS and BUSINESS ADVISORS

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF THE THE ROYAL SOCIETY OF NEW SOUTH WALES

Opinion

We have audited the attached financial report of The Royal Society of New South Wales (“the entity”) which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, statement of recognised income and expenditure, cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, other explanatory notes and the statement by members of the Executive Committee.

In our opinion, the accompanying financial report of The Royal Society of New South Wales is in accordance with the Association Incorporation Act 2009, including:

1. giving a true and fair view of the Company’s financial position as at 30 June 2018 and of its financial performance for the year then ended; and
2. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) , and the Associations Incorporation Act 2009.

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 Executive Committee in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standard 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Responsibilities of the Executive Committee for the financial report

The executive committee members are responsible for the preparation and fair presentation of the financial report that gives a true and fair view and have determined the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Associations Incorporation Act 2009 and is appropriate to meet the needs of the members. The executive committee’s responsibility also includes such internal control as the members determine in necessary to enable the preparation of a 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 committee are responsible for assessing the Society’s ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the members either intend to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibility

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.

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Liability limited by a scheme approved under Professional Standards Legislation

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

- Identify and assess the risks of material misstatements 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 of our opinion. The risk of not detecting 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 Committee's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by members.
- Conclude on the appropriateness of the members' use of 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 Society'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 Society 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 achieved fair representation.

We communicate with the committee 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.

MARK TINWORTH
CHARTERED ACCOUNTANT
North Sydney

2019

TINWORTH & Co
CHARTERED ACCOUNTANTS and BUSINESS ADVISORS

**THE ROYAL SOCIETY OF NEW SOUTH WALES
A.B.N. 76 470 896 415**

STATEMENT BY MEMBERS OF THE COUNCIL

The Councillors have determined that the Society is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in note 1 to the financial statements.

In the opinion of the Councillors of the Society the financial report, as set out on pages 5 to 9:

1. Presents a true and fair view of the financial position of the Royal Society of New South Wales as at 31 December 2018 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that the Royal Society of New South Wales will be able to pay its debts as and when they fall due.

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

Councillor:



Dated this 20th day of March 2019

THE ROYAL SOCIETY OF NEW SOUTH WALES
A.B.N. 76 470 896 415

INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018	2017
INCOME		\$	\$
Members subscriptions		65,458	54,484
Social event income		57,354	48,414
Donations		1,000	12,222
Journal subscriptions		8,437	6,747
Sale of publications/ties		245	215
Copyright		325	35
Interest received		2,271	2,332
Academies Forum		8,600	8,000
New England exchanges		9,020	-
Royalties income		1,046	-
Sundry income		-	135
		<u>153,756</u>	<u>132,584</u>
EXPENDITURE			
Social events		59,565	56,797
Awards		3,458	1,898
Audit fees		2,560	2,550
Bank charges		1,176	818
Council meetings		1,907	1,093
General Merchandise – Ties		112	90
Insurance		3,180	4,094
Secretariat		39,496	35,941
Database		4,250	3,908
Postage, stationery & copying		2,485	1,773
Software		207	328
General expenses		33	828
Journal printing & distribution		13,220	17,585
Royalties		1,128	-
Storage		2,774	250
Library		9,690	7,248
Website		738	1,378
Telephone & facsimile		833	824
		<u>146,812</u>	<u>137,403</u>
Profit (loss) from ordinary activities before income tax		6,944	(4,819)
Income tax expense	1	-	-
Profit (loss) from ordinary activities after income tax		<u>6,944</u>	<u>(4,819)</u>

The accompanying notes form part of this financial report.

THE ROYAL SOCIETY OF NEW SOUTH WALES
A.B.N. 76 470 896 415

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	2018 \$	2017 \$
CURRENT ASSETS			
Cash assets	2	283,354	225,300
Receivables	3	9,646	8,000
Inventory	4	828	940
Accrued interest		959	-
Prepaid expenses	5	745	1,460
TOTAL CURRENT ASSETS		<u>295,532</u>	<u>235,700</u>
NON-CURRENT ASSETS			
Library – at Council valuation		<u>222,940</u>	<u>222,940</u>
TOTAL NON-CURRENT ASSETS		<u>222,940</u>	<u>222,940</u>
TOTAL ASSETS		<u>518,472</u>	<u>458,640</u>
CURRENT LIABILITIES			
Creditors & accruals	6	<u>100,651</u>	<u>47,763</u>
TOTAL CURRENT LIABILITIES		<u>100,651</u>	<u>47,763</u>
TOTAL LIABILITIES		<u>100,651</u>	<u>47,763</u>
NET ASSETS		<u>417,821</u>	<u>410,877</u>
MEMBERS' FUNDS			
Asset Revaluation Reserve		209,340	209,340
Retained profits		<u>208,481</u>	<u>201,537</u>
TOTAL MEMBERS' FUNDS		<u>417,821</u>	<u>410,877</u>

THE ROYAL SOCIETY OF NEW SOUTH WALES
A.B.N. 76 470 896 415

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Royal Society of New South Wales Incorporation Act NSW 2003. The council has determined that the Society is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the Associations Incorporation Act (NSW) 2009:

AASB 112	Income Taxes
AASB 1031	Materiality
AASB 110	Events after the Balance Sheet Date

No other applicable Accounting Standards, Australian Accounting Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial report has been prepared on an accruals basis and is based on historic costs and does 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 year unless otherwise stated, have been adopted in the preparation of this financial report:

Limitation of Liability

The rules of the Society provide that the liability of the members of the Society to contribute to the payment of the debts and expenses of the Society or the cost, charges and expenses of the winding up of the Society is limited to the amount of the shortfall in addition to the current year subscription..

Income Tax

The Society is exempt from income tax under Section 50-5 of the Income Tax Assessment Act, 1997, as a non-profit association established for the encouragement of science.

Fixed Assets

Office furniture and equipment are carried at cost less, where applicable, any accumulated depreciation. The depreciable amount of all fixed assets are depreciated over the useful lives of the assets to the Society commencing from the time the asset is held ready for use.

Depreciation rates using the reducing balance method are as follows:

Office Furniture and Equipment	10-25%
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Library

The library at 121 Darlington Road has been independently valued at fair value as at 31 December 2016.

New Accounting Standards for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which are relevant to the Society. The Society has decided not to early adopt any of the new and amended pronouncements. The Society's assessment of the new and amended pronouncements that are relevant to the Society but applicable in future reporting periods is set out below:

- AASB 9: *Financial Instruments* and associated Amending Standards (applicable to annual reporting periods beginning on or after 1 January 2018).

THE ROYAL SOCIETY OF NEW SOUTH WALES
A.B.N. 76 470 896 415

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

The key changes that may affect the Society on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss, and the irrevocable election to recognize gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedge accounting that will allow greater flexibility in the ability to hedge non-financial items. Should the Society elect to change its hedge policies in line with the new hedge accounting requirements of the standard, the application of such accounting would be largely prospective.

Although the committee members anticipate that the adoption of AASB 9 may have an impact on the Society's financial instruments, including hedging activity, it is impracticable at this stage to provide a reasonable estimate of such impact.

- AASB 16: *Leases* (applicable to annual reporting periods beginning on or after 1 January 2019).

When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: *Leases and related Interpretations*. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

The main changes introduced by the new Standard are as follows:

- recognition of a right-of-use and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
- depreciation of right-of-use assets in line with AASB 116: *Property, Plant and Equipment* in profit or loss and unwinding of the liability in principal and interest components;
- inclusion of variable lease payments that depend on an index or a rate in the initial measurement of the lease liability using the index or rate at the commencement date;
- application of a practical expedient to permit a lessee to elect not to separate non-lease component and instead account for all components as a lease; and
- inclusion of additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors* or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.

Although the committee members anticipate that the adoption of AASB 16 will impact Society's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

- AASB 1058: *Income of Not-For-Profit Entities* (applicable to annual reporting periods beginning on or after 1 January 2019).

THE ROYAL SOCIETY OF NEW SOUTH WALES
A.B.N. 76 470 896 415

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

This Standard is applicable to transactions that do not arise from enforceable contracts with customers involving performance obligations.

The significant accounting requirements of AASB 1058 are as follows:

- Income arising from an excess of the initial carrying amount of an asset over the related contributions by owners, increase in liabilities, decreases in assets and revenue should be immediately recognised in profit or loss. For this purpose, the assets, liabilities and revenue are to be measured in accordance with other Standards.
- Liabilities should be recognised for the excess of the initial carrying amount of a financial asset (received in a transfer to enable the entity to acquire or construct a recognisable non-financial asset that is to be controlled by the entity) over any related amounts recognised in accordance with the applicable Standards. The liabilities must be amortised to profit or loss as income when the entity satisfies its obligations under the transfer.

An entity may elect to recognise volunteer services or a class of volunteer services as an accounting policy choice if the fair value of those services can be measured reliably whether or not the services would have been purchased if they had not been donated. Recognised volunteer services should be measured at fair value and any excess over the related amounts (such as contributions by owner or revenue) immediately recognised as income in profit or loss.

The transitional provision of this Standard permit an entity to either: restate the contracts that existed in each prior period presented in accordance with AASB 108 (subject to certain practical expedients); or recognise the cumulative effect of retrospective application to incomplete contracts on the date of initial application. For this purpose, a completed contract is a contract or transaction for which the entity has recognised all of the income in accordance with AASB 1004: *Contributions*.

Although the committee members anticipate that the adoption of AASB 1058 may have an impact on the Society's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

- AASB 2016-4: *Amendments to Australian Accounting Standards – recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities* (applicable to annual reporting periods beginning on or after 1 January 2017).

This Standard amends AASB 136: *Impairment of Assets* to remove references to depreciated replacement cost as a measure of value in use for not-for-profit entities; and clarify that AASB 136 does not apply to non-cash-generating specialised assets that are regularly revalued to fair value under the revaluation model in AASB 116 and AASB 138: *Intangible Assets*, but applies to such assets accounted for under the cost model in those standards.

AASB 2016-4 is not expected to have a significant impact on the Society's financial statements.

THE ROYAL SOCIETY OF NEW SOUTH WALES
A.B.N. 76 470 896 415

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	\$	\$
2 CASH ASSETS		
Cash at bank	<u>283,354</u>	<u>225,300</u>
3 RECEIVABLES		
Accrued Forum income	<u>9,646</u>	<u>8,000</u>
	<u>9,646</u>	<u>8,000</u>
4 INVENTORY		
Ties	<u>828</u>	<u>940</u>
5 PREPAID EXPENSES		
Prepaid expenses - Insurance	<u>745</u>	<u>1,460</u>
6 CREDITORS & ACCRUALS		
Trade creditors	39,418	4,126
Deferred revenue – fees in advance	55,496	43,362
GST Payable	<u>5,737</u>	<u>275</u>
	<u>100,651</u>	<u>47,763</u>

THE ROYAL SOCIETY OF NEW SOUTH WALES
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Members' & customers' receipts	162,117	131,361
Interest received	1,168	2,332
Payments to suppliers & donations	<u>(105,231)</u>	<u>(149,809)</u>
Net Cash (used in) provided by Operating Activities	<u>58,053</u>	<u>(16,116)</u>
Net (Decrease) Increase in Cash Held	58,053	(16,116)
Cash at the beginning of the financial year	<u>225,300</u>	<u>241,416</u>
Cash at the end of the financial year 2	<u>283,353</u>	<u>225,300</u>
Reconciliation of net cash provided by operating activities to operating profit (loss) surplus after income tax		
Operating profit (loss) after income tax	6,944	(4,819)
Changes in assets and liabilities:		
- (Increase) decrease in inventory	112	89
- (Increase) decrease in receivables	(2,605)	(8,000)
- (Increase) decrease in prepaid expenses	714	(135)
- Increase (decrease) in sundry creditors	40,754	(12,085)
- Increase (decrease) in deferred revenue	<u>12,134</u>	<u>8,834</u>
Net cash (used in) provided by operating activities	<u>58,053</u>	<u>(16,116)</u>