

# **The Sir Robert Menzies Memorial Foundation Limited (A Company Limited by Guarantee)**

ABN 43 008 543 897

**Annual Report**

For the Year Ended 31 December 2020

# The Sir Robert Menzies Memorial Foundation Limited (A Company Limited by Guarantee)

ABN 43 008 543 897

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### For the Year Ended 31 December 2020

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These financial statements are the financial statements of The Sir Robert Menzies Memorial Foundation Limited as an individual entity. The financial statements are presented in Australian currency. Its registered office and principal place of business is:

The Commons  
Level 4, 80 Market Street  
South Melbourne, VIC 3205

The financial statements were authorised for issue by the directors on \_\_\_\_\_ 2021. The directors have the power to amend and reissue the financial statements.

# The Sir Robert Menzies Memorial Foundation Limited (A Company Limited by Guarantee)

ABN 43 008 543 897

## Directors' Report

31 December 2020

The directors present their report on The Sir Robert Menzies Memorial Foundation Limited (A Company Limited by Guarantee) for the financial year ended 31 December 2020.

### Directors

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

Mr PJ Jopling, AM, QC

Mr TF Moran, AC

Mr HH Kalman

Mr JR Menzies

Professor G Davis, AC

Mr AJ Surtees

Ms KT Greiner, AO

Mr D Bowly

Professor D Hilton, AO

Ms F Maguire (Appointed on 1 February 2020)

Ms N Milgrom AC (Appointed on 28 May 2020)

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

A list of the Directors' qualifications and experience is available on the Foundation's website at:  
<http://www.menziesfoundation.org.au/about-us/our-people.html>

### Vision

Raise the profile and importance of 'outstanding' leadership in Australia.

### Mission

The Menzies Foundation encourages Australians to reflect on leadership, build their own leadership capability and take leadership roles in the community.

### Objectives

The Menzies Foundation was established in 1979 to perpetuate the honour and memory of Sir Robert Menzies, Australia's longest serving Prime Minister.

During 2020, the Foundation continued to develop and implement its strategic plan by identifying leadership challenges and supporting initiatives to address these leadership challenges. Our work in this regard provided significant insights into leadership and the Foundation has developed a number of collaborations to make a contribution to the Australian leadership discourse.

Significant areas of focus included supporting: entrepreneurial leader in science and technology, school leaders, cyber security and the law, indigenous women's entrepreneurship, emerging leaders and citizen leadership and community resilience.

# **The Sir Robert Menzies Memorial Foundation Limited (A Company Limited by Guarantee)**

ABN 43 008 543 897

## **Directors' Report**

**31 December 2020**

### **Principal activities**

Building on the work undertaken in 2018, the Foundation continued to develop the strategic framework to guide its work and launched a number of initiatives including the Menzies School Leader Fellowship Program, the Menzies Science Entrepreneur Fellowship Program and the Ninian Stephen Cyber Law Program.

The Foundation continued to support those talented Australians who have been awarded prestigious scholarships and fellowships by the Foundation, awarded the final grants in support of health and medical research and continued to support a range of initiatives that foster knowledge and leadership in the community.

No significant changes in the nature of the Foundation's activity occurred during the financial year.

### **Outcomes**

The Foundation measures its performance by:

- the success of the strategic planning process undertaken by the Foundation;
- the development and implementation of leadership initiatives that support the Foundation's strategic areas of focus; and
- the dissemination of outcomes from these initiatives through a range of communication channels.

### **Significant changes in state of affairs**

There have been no significant changes in the state of affairs of the Foundation during the year.

### **Matters or circumstances arising after the end of the year**

COVID-19 is likely to continue to impact on the roll out of the Foundation's leadership initiatives and the Foundation is doing all that is possible to support our collaboration partners during this difficult time.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Foundation, the results of those operations or the state of affairs of the Foundation in future financial years.

### **Likely developments and expected results of operations**

The Foundation will continue to implement and maintain its activities during the next financial year.

### **Environmental matters**

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

# The Sir Robert Menzies Memorial Foundation Limited (A Company Limited by Guarantee)

ABN 43 008 543 897

## Directors' Report 31 December 2020

### Information on directors

Mr PJ Jopling, AM, QC

Qualifications AM, QC, LLB (Melb)

Date appointed 25 March 2014

Mr Terry Moran

Qualifications AC BA (Hons) (LaTrobe)

Date appointed 18 December 2014

Mr Harvey Kalman

Qualifications BEc, Grad Dip App Fin & Inv, Grad Dip Acc, CFTP (Snr), ACPA

Date appointed 25 November 2017

Mr John Robert Menzies

Qualifications CA

Date appointed 23 February 2018

Professor Glyn Davis

Qualifications AC BA Hons (UNSW), PhD (ANU); FASSA, FIPPA DUniv

Date appointed 2 October 2018

Mr Tony Surtees

Qualifications BComm (UNSW), MS (Stanford), MAICD

Date appointed 3 June 2018

Ms Kathryn Greiner

Qualifications AO B(Social Work) (UNSW); D Litt (honoris Causa) UNSW

Date appointed 24 August 2018

Mr D Bowly

Qualifications BMecEng(Hons)

Date appointed 30 November 2018

Professor Douglas Hilton

Qualifications AO FAA FTSE FAHMS

Date appointed 25 March 2019

Ms Frances Maguire

Qualifications LLB (UNSW)

Date appointed 1 February 2020

Ms Naomi Milgrom

Qualifications AC BA (Monash), Dip.Ed.(UNSW)

Date appointed 28 May 2020

# The Sir Robert Menzies Memorial Foundation Limited (A Company Limited by Guarantee)

ABN 43 008 543 897

## Directors' Report

31 December 2020

### Meetings of directors

During the financial year, 4 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Board of Directors' Meetings		Audit & Investment Meetings		Appointments & Governance Meetings	
	A	B	A	B	A	B
Mr PJ Jopling, AM, QC	3	4	*	4	2	2
Mr TF Moran, AC	3	4	*	4	2	2
Mr HH Kalman	4	4	4	4	*	2
Mr JR Menzies	4	4	4	4	*	2
Professor G Davis, AC	4	4	*	4	*	2
Mr AJ Surtees	4	4	*	4	*	2
Ms KT Greiner, AO	4	4	*	4	2	2
Mr D Bowly	4	4	*	4	*	2
Professor D Hilton, AO	3	4	*	4	*	2
Ms F Maguire	4	4	4	4	*	2
Ms N Milgrom AC	1	3	*	2	*	1

A = Number of meetings attended

B = Number of meetings held during the time the director held office or was a member of the committee during the year

\* = Not a member of the relevant committee

### Dividends

The Foundation is prohibited by its Memorandum and Articles of Association from making any distribution to its members. No dividends have been paid or declared during the year and no dividends are proposed.

### Members' contributions

The Foundation is limited by guarantee and accordingly does not issue shares. Should the Foundation be wound up, any remaining assets shall be distributed to a public benefit institution with similar objectives and not to members of the Foundation. If there are insufficient assets to meet the liabilities, the liability of individual members shall be limited to \$50.

### Insurance of officers and auditors

During the financial year, the Foundation paid a premium of \$4,468 (2019: \$4,096) to insure the directors of the Foundation in respect of claims against the directors and officers.

The liabilities insured are costs and expenses that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Foundation, and any other payments arising from liabilities incurred by the officer in connection with such proceedings, other than where such liabilities arise out of conduct involving a willful breach of duty by the officers or the improper use by the officers of their position or information to gain advantage for themselves or someone else or to cause detriment to the Foundation. It is not possible to apportion the premium between the Directors and the Foundation.

### Proceedings on behalf of company

No person has applied to the Court under Section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Foundation or intervene in any proceedings to which the Foundation is a party for the purpose of taking responsibility on behalf of the Foundation for all or any part of those proceedings.

**The Sir Robert Menzies Memorial Foundation Limited (A Company Limited by Guarantee)**

ABN 43 008 543 897

**Directors' Report**  
**31 December 2020**

**Auditor's independence declaration**

The lead auditor's independence declaration for the year ended 31 December 2020 has been received and can be found on page 6 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

Director: .....

Director: .....

Dated this ..... day of ..... 2021

**The Sir Robert Menzies Memorial Foundation Limited (A Company Limited by Guarantee)**

ABN 43 008 543 897

**Auditor's Independence Declaration under Section 60-40 of the Australian Charities and Not-for-Profits Commission Act 2012 to the Directors of The Sir Robert Menzies Memorial Foundation Limited (A Company Limited by Guarantee)**

[Enter place of signing]



# The Sir Robert Menzies Memorial Foundation Limited

ABN 43 008 543 897

## Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 December 2020

		2020	2019
	Note	\$	\$
<b>Revenue from continuing operations</b>	3	<b>1,356,674</b>	1,571,208
Menzies health research centre grants		-	(150,000)
Scholarships and fellowships		<b>(1,309,850)</b>	(595,248)
Salaries and salary on-costs		<b>(228,233)</b>	(212,952)
Communications and operations		<b>(345,163)</b>	(349,686)
Realised gain/(loss) on financial assets at fair value through profit or loss		<b>(149,377)</b>	92,109
Unrealised gain/(loss) on financial assets at fair value through profit or loss		<b>598,949</b>	2,612,847
		<hr/>	<hr/>
<b>Surplus/(Deficit) before income tax</b>		<b>(77,000)</b>	2,968,278
Income tax expense	1(d)	-	-
		<hr/>	<hr/>
<b>Surplus/(Deficit) for the year</b>		<b>(77,000)</b>	2,968,278
		<hr/>	<hr/>
<b>Other comprehensive income for the year, net of tax</b>		-	-
		<hr/>	<hr/>
<b>Total comprehensive income/(loss) for the year</b>		<b>(77,000)</b>	2,968,278
		<hr/> <hr/>	<hr/> <hr/>

The accompanying notes form part of these financial statements.

# The Sir Robert Menzies Memorial Foundation Limited

ABN 43 008 543 897

## Statement of Financial Position

As At 31 December 2020

	Note	2020 \$	2019 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	4	67,761	556,679
Trade and other receivables	5	109,830	78,883
Investments	6	29,500,235	29,153,891
TOTAL CURRENT ASSETS		<u>29,677,826</u>	<u>29,789,453</u>
NON-CURRENT ASSETS			
TOTAL ASSETS		<u>29,677,826</u>	<u>29,789,453</u>
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	7	148,400	191,060
Provisions	8	8,445	2,633
TOTAL CURRENT LIABILITIES		<u>156,845</u>	<u>193,693</u>
NON-CURRENT LIABILITIES			
Provisions	8	3,657	1,436
TOTAL NON-CURRENT LIABILITIES		<u>3,657</u>	<u>1,436</u>
TOTAL LIABILITIES		<u>160,502</u>	<u>195,129</u>
NET ASSETS		<u>29,517,324</u>	<u>29,594,324</u>
<b>EQUITY</b>			
Accumulated surplus	11	29,517,324	29,594,324
TOTAL EQUITY		<u>29,517,324</u>	<u>29,594,324</u>

The accompanying notes form part of these financial statements.

**The Sir Robert Menzies Memorial Foundation Limited**

ABN 43 008 543 897

**Statement of Changes in Equity  
For the Year Ended 31 December 2020**

**2020**

	<b>Accumulated Surplus</b>
	<b>\$</b>
<b>Balance at 1 January 2020</b>	<b>29,594,324</b>
(Deficit)/Surplus for the year	<b>(77,000)</b>
<b>Total comprehensive income for the year</b>	<b>(77,000)</b>
<b>Balance at 31 December 2020</b>	<b>29,517,324</b>

**2019**

	<b>Accumulated Surplus</b>
	<b>\$</b>
<b>Balance at 1 January 2019</b>	<b>26,626,046</b>
Surplus/(Deficit) for the year	<b>2,968,278</b>
<b>Total comprehensive income for the year</b>	<b>2,968,278</b>
<b>Balance at 31 December 2019</b>	<b>29,594,324</b>

The accompanying notes form part of these financial statements.

# The Sir Robert Menzies Memorial Foundation Limited

ABN 43 008 543 897S

## Statement of Cash Flows For the Year Ended 31 December 2020

	2020	2019
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from investments, trade and other debtors (inclusive of GST)	1,243,494	1,736,836
Receipt of government stimulus	58,733	-
Payments to creditors, employees, fellowships and similar (inclusive of GST)	<u>(1,894,373)</u>	<u>(1,233,103)</u>
Net cash provided by/(used in) operating activities	14 <u>(592,146)</u>	503,733
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of marketable securities	(1,969,683)	(1,370,253)
Proceeds from disposal of marketable securities	<u>2,072,911</u>	-
Net cash provided by/(used in) investing activities	<u>103,228</u>	<u>(1,370,253)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Net cash provided by/(used in) financing activities	<u>-</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents held	(488,918)	(866,520)
Cash and cash equivalents at beginning of year	<u>556,679</u>	<u>1,423,199</u>
Cash and cash equivalents at end of financial year	4 <u><u>67,761</u></u>	<u><u>556,679</u></u>

The accompanying notes form part of these financial statements.

# The Sir Robert Menzies Memorial Foundation Limited

ABN 43 008 543 897

## Notes to the Financial Statements

For the Year Ended 31 December 2020

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# The Sir Robert Menzies Memorial Foundation Limited

ABN 43 008 543 897

## Notes to the Financial Statements For the Year Ended 31 December 2020

The Menzies Foundation was established in 1979 to perpetuate and honour the memory of Sir Robert Menzies, Australia's longest-serving Prime Minister. The Foundation supports leadership initiatives to raise the profile and importance of 'outstanding' leadership. The Foundation is a non-partisan, not-for-profit organization.

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### 1 Summary of Significant Accounting Policies

#### (a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standard - Reduced Disclosure Requirements, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the *Australian Charities and Not-for-Profits Commission Act 2012*. The Sir Robert Menzies Memorial Foundation Limited is a not-for-profit entity for the purpose of preparing the financial statements.

##### (i) *Compliance with Australian Accounting Standards - Reduced Disclosure Requirements*

The financial statements of The Sir Robert Menzies Memorial Foundation Limited comply with the Australian Accounting Standards - Reduced Disclosure Requirements as issued by the Australian Accounting Standards Board (AASB).

##### (ii) *New and amended standards adopted by the company*

None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 January 2020 affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods.

##### (iii) *Cost convention*

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit or loss.

##### (iv) *Comparatives*

Comparative information is reclassified where appropriate to enhance comparability.

#### (b) Foreign currency transactions and balances

##### (i) *Functional and presentation currency*

Items included in the financial statements of the Foundation are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Australian dollars, which is the functional and presentation currency of the Foundation.

# The Sir Robert Menzies Memorial Foundation Limited

ABN 43 008 543 897

## Notes to the Financial Statements For the Year Ended 31 December 2020

### 1 Summary of Significant Accounting Policies (continued)

#### (b) Foreign currency transactions and balances (continued)

##### (ii) *Transaction and balances*

Foreign currency translations are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the transaction at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable part of the net investments in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of comprehensive income within finance costs. All other foreign exchange gains and losses are presented in the statement of comprehensive income on a net basis within other income or other expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation difference on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

#### (c) Revenue recognition

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Foundation and specific criteria relating to the type of revenue as noted below, has been satisfied.

##### **Interest income**

Interest income is recognised using the effective interest method. When a receivable is impaired, the Foundation reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

##### **Dividend income**

Dividends are recognised as revenue when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits. However, the investment may need to be tested for impairment as a consequence, refer to note 1(f).

# The Sir Robert Menzies Memorial Foundation Limited

ABN 43 008 543 897

## Notes to the Financial Statements For the Year Ended 31 December 2020

### 1 Summary of Significant Accounting Policies (continued)

#### (c) Revenue recognition (continued)

##### Operating grants, donations and bequests

When the Foundation received operating grant revenue, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15 .

When both these conditions are satisfied, the Foundation:

- identifies each performance obligation relating to the grant;
- recognises a contract liability for its obligations under the agreement; and
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Foundation:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (eg AASB 9 , AASB 16 , AASB 116 and AASB 138);
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer) and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the Foundation recognises income in profit or loss when or as it satisfies its obligations under the contract.

##### Other income

Profit on sale of investments, unrealised gains/losses on recognition of investments are recorded at market value.

Imputation credits on distribution income are recognised as revenue on an accrual basis.

#### (d) Income Tax

The Foundation is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*. The Foundation is nevertheless entitled to a refund of any dividend imputation credits which attach to distributions from the Foundation's investments.

#### (e) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.



# The Sir Robert Menzies Memorial Foundation Limited

ABN 43 008 543 897

## Notes to the Financial Statements For the Year Ended 31 December 2020

### 1 Summary of Significant Accounting Policies (continued)

#### (f) Investments and other financial assets

##### *Classification*

##### *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are expected to be settled within 12 months; otherwise they are classified as non-current.

##### *Recognition and derecognition*

Purchases and sales of financial assets are recognised on trade-date, the date on which the Foundation commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Foundation has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to profit or loss as gains and losses from investment securities.

##### *Subsequent measurement*

At initial recognition, the Foundation measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Interest income from financial assets at fair value through profit or loss is included in the net gains or losses.

##### *Impairment*

The Foundation assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably measured.

#### (g) Trade and other payables

These amounts represent liabilities for goods and services provided to the Foundation prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date.

## Notes to the Financial Statements For the Year Ended 31 December 2020

### 1 Summary of Significant Accounting Policies (continued)

#### (h) Employee benefits

##### (i) *Wages and salaries and annual leave*

Liabilities for wages and salaries and annual leave are recognised, and are measured as the amount unpaid at the end of the reporting period at the current pay rates in respect of employees' services up to that date.

##### (ii) *Long service leave*

A liability for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows.

##### (iii) *Superannuation*

Contributions to employees superannuation plans are recognised as an expense as they become payable. Superannuation contributions by the Foundation comply with the Superannuation Guarantee rate of 9.5% with the Foundation contributing additional payments.

#### (i) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payable are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

# The Sir Robert Menzies Memorial Foundation Limited

ABN 43 008 543 897

## Notes to the Financial Statements For the Year Ended 31 December 2020

### 2 Financial Risk Management

#### (a) Market risk

##### (i) Price risk

##### Exposure

The Foundation is exposed to equity securities price risk. This arises from investments held by the Foundation and classified on the balance sheet as held at fair value through profit and loss.

To manage its price risk arising from investments in equity securities, the Foundation diversifies its portfolio in accordance with limits set by the Foundation. Analysis of the sensitivity of the market value of the equities fluctuating by +/- 10% indicates the following potential impact on surplus and equity, where the sensitivity analysis is assessed against the fair value of the investments held, as identified in the Balance Sheet.

	2020	2019
	\$	\$
<b>Impact on equity</b>		
Listed and unlisted securities	2,665,276	2,664,627

### 3 Revenue and Other Income

#### Revenue from continuing operations

	2020	2019
	\$	\$
<b>From continuing operations</b>		
Net investments income	1,215,205	1,406,734
Donations and grants	82,645	91,619
	<b>1,297,850</b>	<b>1,498,353</b>
Other revenue		
- Interest on financial assets - cash/deposits	91	71,502
- Government stimulus	58,733	-
- Miscellaneous income	-	1,353
	<b>58,824</b>	<b>72,855</b>
<b>Total Revenue</b>	<b>1,356,674</b>	<b>1,571,208</b>

### 4 Cash and Cash Equivalents

	2020	2019
	\$	\$
Cash at bank	67,761	556,679
	<b>67,761</b>	<b>556,679</b>

# The Sir Robert Menzies Memorial Foundation Limited

ABN 43 008 543 897

## Notes to the Financial Statements For the Year Ended 31 December 2020

### 5 Trade and Other Receivables

	2020	2019
	\$	\$
CURRENT		
Imputation tax credit receivables	65,944	-
GST receivable	43,886	55,383
Prepayments	-	23,500
	<u>109,830</u>	<u>78,883</u>

### 6 Investments

During 2020, investments consisted of various managed investment funds and shares in listed companies. The aggregate market values of tradeable investments and those listed on prescribed stock exchange are:

	2020	2019
	\$	\$
Units in managed investment funds	<u>29,500,235</u>	<u>29,153,891</u>
	<u>29,500,235</u>	<u>29,153,891</u>

### 7 Trade and Other Payables

	2020	2019
	\$	\$
CURRENT		
Trade payables	100,000	141,498
Accrued expenses	38,888	39,943
Other payables	9,512	9,619
	<u>148,400</u>	<u>191,060</u>

### 8 Provisions

	2020	2019
	\$	\$
CURRENT		
Employee benefits (a)	8,445	2,633

#### (a) Leave obligations

The leave obligations cover the Foundation's liabilities for long service leave and annual leave. Refer to note 1(h).

The current portion of this liability includes all of the accrued annual leave, the unconditional entitlements to long service leave where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount of the provision of \$8,445 (2019: \$2,633) is presented as current, since the Foundation does not have an unconditional right to defer settlement for any of these obligations.

# The Sir Robert Menzies Memorial Foundation Limited

ABN 43 008 543 897

## Notes to the Financial Statements For the Year Ended 31 December 2020

### 8 Provisions (continued)

	2020	2019
	\$	\$
NON-CURRENT		
Employee benefits	3,657	1,436

### 9 Auditors' Remuneration

	2020	2019
	\$	\$
Audit and other assurance services - JTP Assurance		
- audit and review of financial statements	9,750	9,500
Other assurance services - JTP Assurance		
- compilation of statutory financial statements	2,000	2,000
<b>Total remuneration for audit and other assurance services</b>	<b>11,750</b>	<b>11,500</b>

### 10 Commitments

Expenditure commitments which have not been provided for in the financial statements include:

	2020	2019
	\$	\$
<i>Grants: Institution</i>		
Within one year	1,250,000	-
Later than one year but not later than two years	2,500,000	-
Later than two years	450,000	-
	<b>4,200,000</b>	<b>-</b>
<i>Grants: Scholarships and other educational</i>		
Within one year	700,000	365,250
Later than one year but not later than two years	1,400,000	355,000
Later than two years	-	-
	<b>2,100,000</b>	<b>720,250</b>

The above includes the Foundation's formal commitment to institutions and scholarship holders as approved by the Board. However, the above information excludes any future costs associated with the scholarships or institutional grants which may subsequently be approved and committed by the Board.

### 11 Accumulated Surplus

	2020	2019
	\$	\$
Balance 1 January	29,594,324	26,626,046
Net surplus/(deficit) for the year	(77,000)	2,968,278
<b>Balance 31 December</b>	<b>29,517,324</b>	<b>29,594,324</b>

# The Sir Robert Menzies Memorial Foundation Limited

ABN 43 008 543 897

## Notes to the Financial Statements For the Year Ended 31 December 2020

### 12 Related Parties

#### (a) Directors

The names of persons who were directors of the Foundation at any time during the financial year are as follows: Mr PJ Jopling AM QC, Mr TF Moran AC, Mr HH Kalman, Mr JR Menzies, Professor G Davis AC, Mr AJ Surtees, Ms KT Greiner AO, Mr D Bowly, Professor D Hilton AO, Ms F Maguire and Ms N Milgrom AC.

#### (b) Remuneration of directors

There was no payment made to any of the directors during the year (2019: \$nil).

#### (c) Transactions with directors and director-related entities

There were no transactions with any directors during the year (2019: \$nil).

#### (d) Key management personnel compensation

	2020	2019
	\$	\$
Key management personnel compensation	115,320	122,024

### 13 Events after the end of the Reporting Period

COVID-19 is likely to continue to impact on the roll out of the Foundation's leadership initiatives and the Foundation is doing all that is possible to support our collaboration partners during this difficult time.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Foundation, the results of those operations or the state of affairs of the Foundation in future financial years.

### 14 Cash Flow Information

Reconciliation of net surplus/(deficit) to net cash provided by operating activities:

	2020	2019
	\$	\$
Net surplus/(deficit) for the year	(77,000)	2,968,278
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- unrealised (gains)/losses on investments	(598,949)	(2,612,847)
- loss/(gain) on sale of investments	149,377	(92,109)
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(54,447)	165,628
- (increase)/decrease in prepayments	23,500	(23,500)
- increase/(decrease) in trade and other payables	(42,660)	97,615
- increase/(decrease) in employee benefits	8,033	668
Cashflows from operations	<u>(592,146)</u>	<u>503,733</u>

## **The Sir Robert Menzies Memorial Foundation Limited**

ABN 43 008 543 897

### **Notes to the Financial Statements**

**For the Year Ended 31 December 2020**

#### **15 Capital**

The company is limited by guarantee which means the Foundation was formed on the principle of having the liability of its members limited by the Memorandum of Association to the respective amounts that the members undertake to contribute to the property of the company if it is wound up.

#### **16 Contingencies**

In the opinion of the Directors, the Foundation did not have any contingencies at 31 December 2020 (31 December 2019:None).

**The Sir Robert Menzies Memorial Foundation Limited (A Company Limited by Guarantee)**

ABN 43 008 543 897

**Directors' Declaration**

The directors of the Foundation declare that:

1. The financial statements and notes, as set out on pages 7 to 21, are in accordance with *Australian Charities and Not-for-profits Commission Act 2012* and:
  - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
  - b. give a true and fair view of the financial position as at 31 December 2020 and of the performance for the year ended on that date of the Foundation.
2. In the directors' opinion, there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they become due and payable.

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

Director .....

Director .....

Dated



## **The Sir Robert Menzies Memorial Foundation Limited (A Company Limited by Guarantee)**

# **Independent Audit Report to the members of The Sir Robert Menzies Memorial Foundation Limited (A Company Limited by Guarantee)**

### **Report on the Audit of the Financial Report**

#### **Opinion**

We have audited the financial report of The Sir Robert Menzies Memorial Foundation Limited (A Company Limited by Guarantee) (the Company), which comprises the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Company's financial position as at 31 December 2020 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

#### **Basis for Opinion**

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

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

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

#### **Responsibilities of Directors for the Financial Report**

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

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

**The Sir Robert Menzies Memorial Foundation Limited (A Company Limited by Guarantee)**

**Independent Audit Report to the members of The Sir Robert Menzies Memorial Foundation Limited (A Company Limited by Guarantee)**

**Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the financial report.

Location  
Dated this ..... day of .....2020