

National Trust of Victoria Foundation

ABN 62 862 859 294

Financial Statements

For the Year Ended 30 June 2020

Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 30 June 2020

	Note	2020	2019
		\$	\$
Revenue			
Donations and bequests received		333,785	157,858
Other revenue		-	10,922
Interest revenue		4,969	13,098
Total Revenue		<u>338,754</u>	<u>181,878</u>
Donations to National Trust of Australia (Victoria)		28,665	22,557
Other expenses		383	6,614
Total expenses		<u>29,048</u>	<u>29,171</u>
Profit /(Loss) for the year		309,706	152,707
Other Comprehensive Income		-	-
Total Comprehensive Income for the Year		<u><u>309,706</u></u>	<u><u>152,707</u></u>

The Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes to the financial statements.

Statement of Financial Position as at 30 June 2020

	Note	2020 \$	2019 \$
ASSETS			
Current assets			
Cash and cash equivalents	2	1,026,336	712,761
Trade and other receivables	3	-	3,869
Total current assets		<u>1,026,336</u>	<u>716,630</u>
TOTAL ASSETS		<u>1,026,336</u>	<u>716,630</u>
NET ASSETS		<u>1,026,336</u>	<u>716,630</u>
EQUITY			
Reserves	4	<u>1,026,336</u>	<u>716,630</u>
TOTAL EQUITY		<u>1,026,336</u>	<u>716,630</u>

The Statement of Financial Position should be read in conjunction with the accompanying notes to the financial statements.

**Statement of Changes in Equity
For the Year Ended 30 June 2020**

	Note	2020 \$	2019 \$
Total equity at the beginning of the year		<u>716,630</u>	<u>563,923</u>
Profit /(Loss) for the year		309,706	152,707
Total changes in equity for the period		<u>309,706</u>	<u>152,707</u>
Total equity at the end of the year		<u><u>1,026,336</u></u>	<u><u>716,630</u></u>

The Statement of Changes in Equity should be read in conjunction with the accompanying notes to the financial statements.

Statement of Cash Flows for the Year Ended 30 June 2020

	Note	2020	2019
		\$	\$
Cash flows from operating activities			
Receipts from operating activities		337,560	165,757
Payments in the course of operations		(28,954)	(29,171)
Interest received		4,969	13,098
Net cash (outflow)/inflow from operating activities	6	313,575	149,684
Net cash increase (decrease) in cash and cash equivalents		313,575	149,684
Cash and cash equivalents at beginning of year		712,761	563,077
Cash and cash equivalents at end of year	2	1,026,336	712,761

The Statement of Cash Flows should be read in conjunction with the accompanying notes to the financial statements.

1 Statement of Significant Accounting Policies

(a) Basis of Preparation

The directors of the trustee company have prepared the financial statements of the National Trust of Victoria Foundation ("the Foundation") on the basis that the Foundation is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Trust Deed and the Australian Charities and Not-for-profits Commission Act 2012 ("ACNC Act").

The financial statements have been prepared in accordance with the significant accounting policies disclosed below which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated otherwise in the notes.

(b) Critical accounting estimates and judgements

The directors of the trustee company evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

(c) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in values, and bank overdrafts.

(d) Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets

The entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

National Trust of Victoria Foundation
Notes to the Financial Statements for the Year Ended 30 June 2020

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

(e) Income Tax

The Foundation is an income tax exempt charity under subdivision 50-5 of the Income Tax Assessment Act 1997 and is listed as being a deductible gift recipient under subdivision 30B of the Income Tax Assessment Act 1997.

(f) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Foundation and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

Interest Income

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Donation and Bequest Income

Donations and bequests are recognised on receipt in accordance with AASB 1058, unless there are sufficiently specific performance obligations which would require recognition under AASB 15.

Dividend Income

Dividend income is recognised when the right to receive a dividend has been established.

All revenue is stated net of the amount of goods and services tax (GST).

(g) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(h) Comparative Figures

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

(i) New and Revised Accounting Standards and Interpretations

AASB 15 Revenue from Contracts with Customers, AASB 16 Leases, and AASB 1058 Income of Not-for-Profit Entities have been adopted from 1 July 2019. The application of these new standards has no impact on the financial report. The impact on the financial performance and position of the entity from the adoption of these standards has been assessed and no restatement of comparative disclosures is required.

(j) New Accounting Standards and Interpretations not yet mandatory or early adopted

Nil

National Trust of Victoria Foundation
Notes to the Financial Statements for the Year Ended 30 June 2020

2	Cash and cash equivalents	2020	2019
		\$	\$
Bank balances		1,026,336	712,761
		<u>1,026,336</u>	<u>712,761</u>

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

Cash and cash equivalents	<u>1,026,336</u>	<u>712,761</u>
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3 Trade and other receivables

Other receivables	-	3,869
	<u>-</u>	<u>3,869</u>

4 Reserves

Foundation Funds	1,026,336	716,630
	<u>1,026,336</u>	<u>716,630</u>

The National Trust of Victoria Foundation is a public ancillary fund established to provide money, property and benefits to the National Trust (Victoria) House Museums and Historic Sites Group. Funds received are held for this purpose.

5 Auditor's Remuneration

Remuneration of the auditor		
- Auditing the financial report	-	-
- Other services	-	-
	<u>-</u>	<u>-</u>

6 Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities

Net income/(loss) for the period	309,706	152,707
<i>Adjustments for:</i>		
Changes in assets and liabilities:	3,869	(3,022)
Net cash from operating activities	<u>313,575</u>	<u>149,685</u>

7 Contingencies

The directors of the trustee company are not aware of any contingent liabilities to be disclosed in the financial report.

8 Post End of Year Events

At the date of this report, the directors of the trustee company are not aware of any matter or circumstance which has arisen that has significantly affected or may significantly affect the operations of the Foundation, the results of those operations or the state of affairs of the Foundation, in the subsequent financial year.

National Trust of Victoria Foundation
Directors' Declaration for the Year Ended 30 June 2020

The directors of the trustee company have determined that the Foundation 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 accordance with a resolution of the directors of the trustee company, the directors declare that:

1. the financial statements and notes as set out on pages 2 to 12, satisfy the requirements of the Trust Deed and are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 ("ACNC Act") including:
 - (i) comply with Accounting Standards; and
 - (i) give a true and fair view of the Foundation's financial position as at 30 June 2020 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. In the director's 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.

Director



Peter Lamell
National Trust of Victoria Foundation

Director



Kriistin Stegley OAM
National Trust of Victoria Foundation

Dated this 13th day of August 2020

RSM Australia Partners

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www.rsm.com.au**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the audit of the financial report of National Trust of Victoria Foundation for the year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Australian Professional Accounting Bodies in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

**RSM AUSTRALIA PARTNERS****B Y CHAN**

Partner

Dated: 13 August 2020
Melbourne, Victoria

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INDEPENDENT AUDITOR'S REPORT**To the Members of National Trust of Victoria Foundation****Opinion**

We have audited the financial report of National Trust of Victoria Foundation (the registered entity) which comprises the statement of financial position as at 30 June 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 declaration by those charged with governance.

In our opinion, the financial report of National Trust of Victoria Foundation has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the registered entity's financial position as at 30 June 2020 and of its financial performance and cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

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 National Trust of Victoria Foundation in accordance with 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist National Trust of Victoria Foundation to meet the requirements of Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Report

The directors of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) 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 National Trust of Victoria Foundation'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 management either intends to liquidate National Trust of Victoria Foundation or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

**RSM AUSTRALIA PARTNERS**

B Y CHAN
Partner

Dated: 17 August 2020
Melbourne, Victoria