

Financial Report



30 June 2019

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Trustee Company Directors' Declaration

[REDACTED]

For the year ended 30 June 2019

The directors of the trustee company of the Foundation declare that the trust 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 of the financial statements.

In accordance with a resolution of the Board of Directors, the directors of the trustee company declare that:

1. The financial statements and notes, satisfy the requirements of the Australian Charities and Not-for-profits Commission Act 2012.
2. In the directors' opinion there are reasonable grounds to believe that the trust will be able to pay all of its debts as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profit Commission Regulation 2013.

[REDACTED]

The accompanying notes form part of these financial statements.

Statement of Profit or Loss and other Comprehensive Income

For the year ended 30 June 2019

	30 JUNE 2019 (\$)	30 JUNE 2018 (\$)
Income		
Gross Interest	94,008	60,753
Franked Dividends	51,556	49,098
Unfranked Dividends	8,076	11,290
Dividend Franking Credits	28,720	22,357
Gross Trust Distributions	82,458	211,931
Other Income	5,602	1,027
Total Income	270,420	356,457
Other Income		
Net Capital Gain / (Loss)	61,965	(116,319)
Foreign Exchange Gain / (Loss)	1,243	1,550
Increase / (Decrease) in Market Value of Investments	453,037	395,554
Donations Received	5,400,000	2,113,216
Transitioning Funds Transferred In	985,490	-
Total Other Income	6,901,735	2,394,000
Total Income	7,172,155	2,750,457
Expenses		
Expenses		
Audit Fees	-	(935)
Total Expenses	-	(935)
Other Expenses		
Accountancy	-	(240)
Investment Management Fees	109,531	65,928
Total Other Expenses	109,531	65,688
Total Expenses	109,531	64,753
Profit / (Loss) before Grants	7,062,624	2,685,703
Grants Made		
Grants Made	811,454	343,865
Total Grants Made	811,454	343,865
Net Profit / (Loss)	6,251,170	2,341,838
Other Comprehensive Income	-	-
Total comprehensive income / (loss) for the period	6,251,170	2,341,838

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 30 June 2019

	30 JUN 2019 (\$)	30 JUN 2018 (\$)
Assets		
Current Assets		
Cash and Equivalents		
BT Private Wealth Cash Account	269,447	36,718
ING Direct Business Optimiser	1,796	1,770
Macquarie Cash Management Acct	5,181,803	1,747,749
Total Cash and Equivalents	5,453,046	1,786,237
Receivables		
GST	4,553	2,315
Interest Receivable	1,468	1,496
Dividends Receivable	215	6,432
Trust Distributions Receivable	26,640	12,116
Franking Credits Receivable	28,720	22,357
Total Receivables	61,596	44,716
Other Current Assets		
Capital Call Prepayments	12,118	23,849
Transfer from Funds in Transition	71,767	-
Total Other Current Assets	83,885	23,849
Total Current Assets	5,598,526	1,854,802
Non-Current Assets		
Shares in Publicly Listed Entities at Market Value	3,967,259	2,640,879
Shares in Unlisted Entities at Market Value	3,561,191	2,561,909
Other Investments at Market Value	1,213,815	1,010,780
Total Non-Current Assets	8,742,266	6,213,568
Total Assets	14,340,792	8,068,370
Liabilities		
Current Liabilities		
Other Creditors	38,476	17,224
Total Current Liabilities	38,476	17,224
Total Liabilities	38,476	17,224
Net Assets	14,302,316	8,051,145
Equity		
Settlement sum	100	100
Retained Earnings	14,302,216	8,051,045
Total Equity	14,302,316	8,051,145

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the year ended 30 June 2019

	2019 (\$)	2018 (\$)
Equity		
Opening Balance	8,051,145	5,709,307
Current Year Earnings	6,251,170	2,341,838
Total Equity	14,302,316	8,051,145

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the year ended 30 June 2019

	2019 (\$)	2018 (\$)
Cash flows from Operating Activities		
Receipts from donations and funds transferred in	6,313,724	2,113,216
Dividends received	65,850	54,252
Interest received	94,036	60,753
Cash receipts from other operating activities	112,277	241,465
Cash payments for other operating activities	(901,182)	(406,451)
Total Cash flows from Operating Activities	5,684,704	2,063,234
Cash flows from Investing Activities		
Proceeds from sale of investments	497,201	443,884
Payment for investments	(2,514,308)	(1,815,464)
Other cash items from investing activities	(788)	(240)
Total Cash flows from Investing Activities	(2,017,895)	(1,371,821)
Net increase/(decrease) in cash held	3,666,808	691,413
Cash Balances		
Opening cash balance	1,786,237	1,094,824
Closing cash balance	5,453,046	1,786,237
Movement in cash	3,666,808	691,413

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

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For the year ended 30 June 2019

1. Statement of Significant Accounting Policies

The directors of the trustee company have prepared the financial statements of the Foundation on the basis that they satisfy the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and 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 needs of the Foundation, including the requirements of the trust deed, the information needs of stakeholders and for the basis of preparation of the Annual Information Statement.

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 purpose of the Foundation and the needs of the trustee. Such accounting policies are consistent with the previous period unless stated otherwise.

All amounts included in the financial statements are denominated in Australian Dollars unless otherwise stated.

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

The accounting policies that have been adopted in the preparation of these statements are set out in the paragraphs below.

2. Income Tax

The Foundation is endorsed to access the exemption from income tax under Subdivision 50-B of the Income Tax Assessment Act 1997.

3. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less.

The accompanying notes form part of these financial statements.

4. Financial Instruments

Recognition, Initial Measurement and Derecognition

Financial assets and financial liabilities are recognised when the Foundation becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions cost. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risk and reward are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and Subsequent Measurement of Financial Assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets are subsequently measured at fair value through profit or loss (FVPL) with changes in carrying value being included under other income in Statement of Profit or Loss and Other Comprehensive Income.

Quoted bid prices in an active market are used to determine fair value whenever possible. In other circumstances such as for unlisted investments, valuation techniques are adopted as agreed by the directors, including recent arm's length transactions, reference to similar instruments, historical cost and option pricing models.

5. Financial Assets (Comparatives)

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the Foundation becomes a party to the contractual provisions to the instrument. This is equivalent to the date that the foundation commits itself to either purchase or sell the asset. Financial instruments are initially measured at fair value plus transaction costs.

Classification and Subsequent Measurement

Financial instruments, except for land and buildings, are subsequently measured at fair value every year with changes in carrying value being included in profit or loss. Land and buildings are subsequently measured at fair value every three year with changes in carrying value being included in profit or loss.

Quoted bid prices in an active market are used to determine fair value whenever possible. In other circumstances such as for unlisted investments, valuation techniques are adopted as agreed by the directors, including recent arm's length transactions, reference to similar instruments historical cost and option pricing models.

6. Related Party Transactions

██████████ is the ██████████, a business that receives Investment Management Fees from the Foundation.

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7. Revenue and Other Income

Interest, rent, hire and donations revenue is recognised when it is paid or credited to the Foundation. Dividends, trust distributions and refundable franking credits revenue is recognised when the right to receive the consideration has been established.

8. Expenses

Distributions or grants to eligible recipients is recognised as an expense to the Foundation when it is paid.

The accompanying notes form part of these financial statements.

9. Critical Accounting Estimates and Judgements

The trustees evaluate estimates and judgements 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 Foundation.

10. Trust Details

The principal place of business is:

C/- Australian Philanthropic Services
8 Spring Street
Sydney NSW 2000

The Foundation has been established for charitable purposes only.

11. Principal Activities

The principal activities of the Foundation during the financial year were investing and distributing grants.

12. Fundraising Appeals Conducted During the Financial Year

Fundraising appeals conducted during the financial year included the receiving of directly and indirectly solicited donations.

	2019 (\$)	2018 (\$)
Fundraising Appeals		
(i) Results of fundraising appeals		
Gross proceeds from fundraising:	-	-
Donations received	5,400,000	2,113,216
Less: direct costs of fundraising appeals	-	-
Total	5,400,000	2,113,216
(ii) Application of net surplus obtained from fundraising appeals		
Grants paid to registered charities	811,454	343,865
Administration expenses	109,531	64,753
Total	920,985	408,618

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the year ended 30 June 2019

	2019 (\$)	%	2018 (\$)	%
Fundraising Appeals				
(iii) Comparison of certain monetary figures and percentages				
Total cost of fundraising/	-	-	-	-
Gross income from donations	5,400,000	-	2,113,216	-
Net surplus from donations/	5,400,000	100	2,113,216	100
Gross income from donations	5,400,000	-	2,113,216	-
Total grants paid/	811,844	88	343,865	84
Total expenditure	920,985	-	408,618	-
Total grants paid/	811,844	103	343,865	54
Total income received from operating activities	786,665	-	635,692	-

The accompanying notes form part of these financial statements.

Fundraising Activities Declaration


For the year ended 30 June 2019

The directors of the trustee company of  declare that in their opinion:

a) the financial report gives a true and fair view of all income and expenditure of the Trust with respect to fundraising appeal activities for the financial year ended 30 June 2019;

b) the statement of financial position gives a true and fair view of the state of affairs of the Trust with respect to fundraising appeal activities as at 30 June 2019;

c) the provisions of the Charitable Fundraising (NSW) Act 1991 and Regulations under that Act and the conditions attached to the authority have been complied with during the year ended 30 June 2019; and

d) the internal controls exercised by the Trust are appropriate and effective in accounting for all income received and applied by the Trust from any of its fundraising appeals.

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

The accompanying notes form part of these financial statements.

Independent Auditor's Report

████████████████████
For the year ended 30 June 2019

Part A - Financial Report

Auditor's Opinion

We have audited the financial report of ██████████ which comprises the statement of profit and loss and other comprehensive income for the year ended 30 June 2019, the statement of financial position as at 30 June 2019, 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.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the ██████████ as at 30 June 2019, and of its financial performance and its cash flows for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements, including satisfying the requirements of subdivision 60-C (Annual financial reports) of the Australian Charities and Not-for-profits Commission Act 2012.

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 ██████████ 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 of the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the trustee's financial reporting responsibilities under the trust deed and satisfying the requirements of subdivision 60-C (Annual financial reports) 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 the Trustee Directors for the Financial Report

The directors of the trustee company are responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the trust deed, the needs of the trustee and the requirements of subdivision 60-C (Annual financial reports) of the Australian Charities and Not-for-profits Commission Act 2012, and for such internal control as they determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the trustee directors are responsible for assessing the ██████████ 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 trustee directors either intend to liquidate ██████████ or to cease operations, or have no realistic alternative but to do so. The trustee directors are responsible for overseeing the ██████████ financial reporting process.

The accompanying notes form part of these financial statements.

Auditor's Responsibility for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the [REDACTED] internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on [REDACTED] 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, 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 [REDACTED] to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

Part B - Compliance Report

Auditor's Opinion

We have undertaken a reasonable assurance engagement on [REDACTED] compliance, in all material respects, with the requirements of the Public Ancillary Fund Guidelines 2011 and the Charitable Fundraising (NSW) Act 1991 for the year ended 30 June 2019

In our opinion, [REDACTED] has complied, in all material respects with the requirements of the Public Ancillary Fund Guidelines 2011 and the Charitable Fundraising (NSW) Act 1991 for the year ended 30 June 2019 .

In our opinion –

- a) The financial report gives a true and fair view of the financial result of fundraising appeal activities for the financial year ended 30 June 2019
- b) The financial report has been properly drawn up, and the associated records have been properly kept for the year ending 30 June 2019, in accordance with the Charitable Fundraising (NSW) Act 1991 and the relevant regulations;
- c) Money received as a result of fundraising appeal activities conducted during the year ending 2019 has been properly accounted for and applied in accordance with the Charitable Fundraising (NSW) Act 1991 and the relevant regulations; and
- d) There are reasonable grounds to believe that [REDACTED] will be able to pay its debts as and when they fall due.

Basis for Opinion

We conducted our engagement in accordance with Standard on Assurance Engagements ASAE 3100 Compliance Engagements issued by the Auditing and Assurance Standards Board. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibility of the Trustee Directors for Compliance

The trustee directors are responsible for the compliance activity undertaken to meet the requirements of the Public Ancillary Fund Guidelines 2011 and the Charitable Fundraising (NSW) Act 1991 and the identification of risks that threaten the compliance requirements being met and controls which will mitigate those risks and monitor ongoing compliance.

Auditor's Independence and Quality Control

We have complied with the independence and other relevant ethical requirements relating to assurance engagement, and apply Auditing Standard ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements* in undertaking this assurance engagement.

Auditor's Responsibility

Our responsibility is to express an opinion on [REDACTED] compliance, in all material respects, with the Public Ancillary Fund Guidelines 2011 and the Charitable Fundraising (NSW) Act 1991 for the year ended 2019. ASAE 3100 requires that we plan and perform our procedures to obtain reasonable assurance about whether, [REDACTED] has complied, in all material respects, with the Public Ancillary Fund Guidelines 2011 and the Charitable Fundraising (NSW) Act 1991 for the year ended 30 June 2019.

An assurance engagement to report on [REDACTED] compliance with the Public Ancillary Fund Guidelines 2011 and the Charitable Fundraising (NSW) Act 1991 involves performing procedures to obtain evidence about the compliance activity and controls implemented to meet the relevant compliance requirements. The procedures selected depend on our judgement, including the identification and assessment of risks of material non-compliance.

The accompanying notes form part of these financial statements.

Inherent Limitations

Because of the inherent limitations of an assurance engagement, together with the internal control structure it is possible that fraud, error, or non-compliance with compliance requirements may occur and not be detected. A reasonable assurance engagement for the year ended 30 June 2019 does not provide assurance on whether compliance with the Public Ancillary Fund Guidelines 2011 and the Charitable Fundraising (NSW) Act 1991 will continue in the future.

ASSURA GROUP PTY LTD
Chartered Accountants

HANOZE UDACHIA
Director

Dated: