



FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2020**

	2020	2019
	\$	\$
INCOME		
Dividends received	21,386	44,806
Interest received	69	146
Net gain/(loss) on disposal of investments	(13,072)	(10,630)
Distributions received	24,836	33,223
Net changes in fair value of investments	(100,281)	15,693
Refund of franking credits	7,400	17,553
Product issuer rebates	206	213
Refund of goods and services tax	1,083	1,033
	(58,371)	102,037
LESS EXPENDITURE		
Accountancy fees	4,561	2,597
Auditors' remuneration	1,047	1,116
Donations paid	72,532	72,570
Management & administration costs	15,888	16,254
	94,028	92,538
NET OPERATING SURPLUS (LOSS)	(152,399)	9,499
Transfer to Trust Funds	(152,399)	9,499
TOTAL AVAILABLE FOR DISTRIBUTION (LOSS)	-	-
RETAINED SURPLUS (ACCUMULATED LOSSES) AT THE END OF THE FINANCIAL YEAR	-	-

The accompanying notes form part of these financial statements.


STATEMENT OF FINANCIAL POSITION**AS AT 30 JUNE 2020**


	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	10,484	9,723
Other receivables	4	21,814	38,451
TOTAL CURRENT ASSETS		<u>32,298</u>	<u>48,174</u>
NON-CURRENT ASSETS			
Financial assets	5	1,269,674	1,406,197
TOTAL NON-CURRENT ASSETS		<u>1,269,674</u>	<u>1,406,197</u>
TOTAL ASSETS		<u><u>1,301,972</u></u>	<u><u>1,454,371</u></u>
LIABILITIES			
CURRENT LIABILITIES			
Other payables	6	3,765	3,765
TOTAL CURRENT LIABILITIES		<u>3,765</u>	<u>3,765</u>
TOTAL LIABILITIES		<u><u>3,765</u></u>	<u><u>3,765</u></u>
NET ASSETS		<u><u>1,298,207</u></u>	<u><u>1,450,606</u></u>
TRUST FUNDS			
Settled sum		100	100
Reserves	7	1,298,107	1,450,506
TOTAL TRUST FUNDS		<u><u>1,298,207</u></u>	<u><u>1,450,606</u></u>

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
Cash flows from operating activities			
Investment income received		52,764	58,326
Other income received		18,855	9,398
Donations paid		(72,532)	(72,570)
Trustee fees paid		(15,888)	(16,254)
Accounting and audit fees paid		(5,608)	(3,724)
Net cash provided by (used in) operating activities	10	<u>(22,409)</u>	<u>(24,824)</u>
Cash flows from investing activities			
Payments for purchase of investments		(81,521)	(241,403)
Proceeds from sale of investments		104,691	194,546
Net cash provided by (used in) investing activities		<u>23,170</u>	<u>(46,857)</u>
Net increase (decrease) in cash held		761	(71,681)
Cash and cash equivalents at beginning of financial year		9,723	81,404
Cash and cash equivalents at end of financial year	10	<u><u>10,484</u></u>	<u><u>9,723</u></u>

The accompanying notes form part of these financial statements.



NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

1. BASIS OF PREPARATION

In the opinion of the trustee, the trust is not a reporting entity. The financial statements of the trust have been prepared as special purpose financial statements for use by the trustee and to fulfil the trustee's duties under the trust deed to prepare financial statements.

(a) Statement of Compliance

This special purpose financial statement has been prepared for distribution to the Trustee and to satisfy the requirements of the Trust Deed, the Private Ancillary Fund Guidelines 2019 and the Australian Charities and Not-for-profits Commission Act 2012. The accounting policies used in the preparation of this report are, in the opinion of the Trustee, appropriate to meet the needs of the Trustee.

The requirements of Accounting Standards issued by the Australian Accounting Standards Board and other professional reporting requirements do not have mandatory applicability to the Trust in relation to the year ended because the Trustee has determined that the Trust is not a reporting entity. However, the Trustee has determined that in order for the financial statements to present fairly the Trust's results of operations and state of affairs, the requirements relating to the measurement, recognition and classification of assets, liabilities, revenue and expenses should be complied with, except as noted in these policies as a result of the requirements of the Trust Deed.

The financial report does not include the disclosure requirements of the following pronouncements having a material effect:

- > AASB7: Financial Instruments: Disclosures
- > AASB110: Events after the Reporting Period
- > AASB132: Financial Instruments: Presentation

As the Trust is not a reporting entity, the Trust does not comply with IFRS. The accounting policies have been applied consistently to all periods presented in these financial statements. The financial statements were approved by the Trustee on the date of signing of the Trustees' Declaration.

(b) Basis of Measurement

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

(c) Functional and Presentation Currency

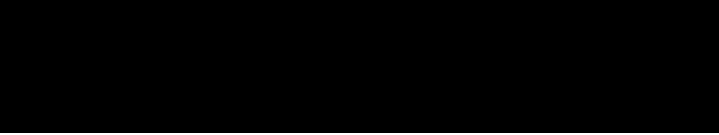
These financial statements are presented in Australian dollars, which is the trust's functional currency.

(d) Critical Accounting Estimates and Judgements

It was concluded that judgements made by management in the application of Australian Accounting Standards did not have a significant effect on the financial report. No estimates with a significant risk of material adjustment in the next year were noted.

(e) New accounting standards and interpretations

There are no new accounting standards, amendments and interpretations that are effective for the first time for the financial year beginning 1 July 2019 that would be expected to have a material impact on the fund.



NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

(f) Classification

The Trust classifies its investments based on its business model for managing those financial assets and their contractual cash flow characteristics. The Trust's portfolio of financial assets are managed and their performance is evaluated on a fair value basis in accordance with the Trust's documented investment policy. The Trust evaluates the information about its investments on a fair value basis together with other related information.

The Trust's investments are classified as financial assets at fair value through profit and loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies that have been adopted in the preparation of the financial statements are as follows:

(a) Income Tax

The Trust is exempt from income tax being a tax-exempt entity established under the Private Ancillary Fund Guidelines 2019. The income of the Foundation is exempt from tax pursuant to section 50-5 of the Income Tax Assessment Act 1997. The Trust's income will remain exempt from tax provided it continues to comply with the requirements of the Income Tax Assessment Act.

(b) Fair Value of Assets and Liabilities

The trust measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.


Fair value is the price the trust would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.



NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

(c) Other Receivables

Other receivables comprise refund of the GST and franking credits for the current reporting period but received post year-end.

(d) Cash and Cash Equivalents

For the purpose of presentation in the cash flow statements, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term and highly liquid financial assets with maturities of twelve months or less from the date of acquisition that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

(e) Revenue Recognition

Revenue is recognised when the Trust is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Investment income comprises interest, dividends and distributions from managed funds. All investment income is recognised on an accruals basis, with the exception of dividends which is recognised when the dividend has been paid, or in the case of dividend reinvestment schemes, when the dividend is credited to the benefit of the Trust.

Refunds of imputation credits are recognised as they are received.

(f) Other Payables

Other payables comprise fees for professional services rendered for the current reporting period but paid post year-end.

(g) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised gross of the amounts of Goods and Services Tax (GST), with the refundable component of the GST disclosed as a separate revenue item.

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 component 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.

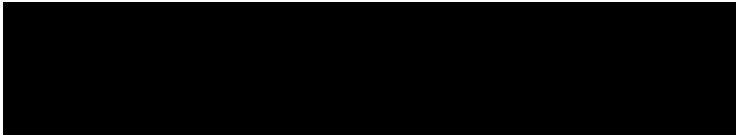
(h) Rounding of Amounts

Amounts in the financial statements have been rounded off to the nearest dollar.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
3. CASH AND CASH EQUIVALENTS		
Perpetual Cash Account F04499	10,384	9,623
Cash on Hand	100	100
	<u>10,484</u>	<u>9,723</u>
4. OTHER RECEIVABLES		
CURRENT		
Good and services tax	1,083	1,033
Franking credit refund receivable	7,401	17,616
Distributions receivable	13,330	19,802
	<u>21,814</u>	<u>38,451</u>
5. FINANCIAL ASSETS		
NON-CURRENT		
Financial investments:		
Investments in managed funds	792,376	850,269
Investments in ASX listed securities	477,298	555,928
	<u>1,269,674</u>	<u>1,406,197</u>
6. OTHER PAYABLES		
CURRENT		
Accountancy fees payable	2,750	2,750
Auditor's remuneration payable	1,015	1,015
	<u>3,765</u>	<u>3,765</u>
7. RESERVES		
Analysis of Each Class of Reserve:		
Trust Funds	<u>1,298,107</u>	<u>1,450,506</u>
Trust Funds:		
Movements during the year:		
Opening Balance	1,450,506	1,441,006
Net changes in fair value of investments	(100,281)	15,693
Net gain/(loss) on disposal of investments	(13,072)	(10,630)
Current year surplus (loss)	(39,046)	4,437
	<u>1,298,107</u>	<u>1,450,506</u>

The asset revaluation reserve records revaluations of non-current assets. Under certain circumstances dividends can be declared from this reserve.



NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

2020
\$

2019
\$

8. EVENTS AFTER THE REPORTING PERIOD

No significant events have occurred since balance sheet date which would impact on the financial position of the Trust disclosed in the balance sheet as at the reporting date or on the results and cash flows of the Trust for the year ended on that date.

9. RELATED PARTY TRANSACTIONS

Related Parties

(a) Trustee

One of the co-trustees, Perpetual Trustee Company Limited (ABN 42 000 001 007), is a wholly owned subsidiary of Perpetual Limited (ACN 000 431 827). The Trustee has entered into agreements with a number of Perpetual Limited subsidiaries who will perform services for the Foundation. The fee for these services is paid out of the management fee paid to the Trustee.

(b) Key management personnel

Key management personnel includes persons who were Directors of Perpetual Trustee Company Limited during the year or since the end of the year and up to the date of this report:

Directors during the year were:

Andrew Baker
Andrew Wallace (Retired 9 April 2020)
Mark Smith
Amanda Gazal (Appointed 9 April 2020)

(c) Key management personnel loan disclosures

The Trust has not made, guaranteed or secured, directly or indirectly, any loans to the key management personnel or their related entities at any time during the reporting period.

(d) Other transactions within the Trust

Apart from those details discussed in this note, no key management personnel have entered into a contract with the Trust since the end of the previous financial year and there were no contracts involving directors' interests existing at year end.

(e) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

2020
\$ **2019**
\$

The following transactions occurred with related parties:

i Trustee fees

The Trustee fees are calculated in accordance with the Trust Deed. The Trustee's fee is set at 0.28% per annum on the first \$236,000 plus 5.50% per annum on the income earned by the Trust (after taking account of GST and reduced input tax credits) and is disclosed in the statement of comprehensive income.

Value of related party transaction	15,888	16,254
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ii Investments

The Trust also held investments in schemes which are also managed by the Trustee or its related parties and the aggregate market value of these investments at reporting date is disclosed in this note. Income receivable from these investments are not included in this disclosure.

Value of related party transaction	712,691	785,604
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10. CASH FLOW INFORMATION

(a) Reconciliation of cash

Cash at the end of financial year as included in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

Perpetual Cash Account F04499	10,384	9,623
Cash on Hand	100	100
	10,484	9,723
	10,484	9,723

(b) Reconciliation of profit attributable to beneficiaries to net cash provided by operating activities

Surplus for the year	(152,399)	9,499
Non-cash flows in profit:		
(Gain)/loss on disposal of investments	13,072	10,630
Movements in fair value of investments	100,281	(15,693)
Non-cash demerger dividends	-	(18,666)
Changes in assets and liabilities:		
Other receivables	16,637	(10,584)
Other payables	-	(10)
Net cash provided by (used in) operating activities	(22,409)	(24,824)
	(22,409)	(24,824)



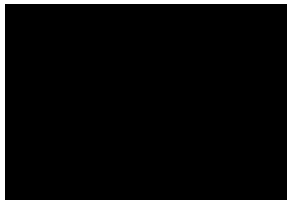
DIRECTORS' DECLARATION OF THE TRUSTEE COMPANY

The directors of the trustee company 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 2 to the financial statements.

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

1. the financial statements and notes which comprise the statement of financial position as at 30 June 2020, the statement of surplus or loss for the year then ended, a summary of significant accounting policies and other explanatory notes present fairly the trust'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 2 to the financial statements;
2. in the directors' opinion there are reasonable grounds to believe that the trust will be able to pay its debts as and when they become due and payable.
3. the financial statements and notes are in accordance with the requirements of the Trust Deed, the Australian Charities and Not-For-Profits Commission Act 2012, the Australian Charities and Not-For-Profits Commission Regulation 2013 and the Private Ancillary Fund Guidelines 2009.

Director



Mark Smith

Dated: 14 December 2020



Independent Auditor's Report

To the members of [REDACTED]

Opinion

We have audited the **Financial Report** of [REDACTED]

In our opinion, the accompanying **Financial Report** of the Trust is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, and the *Private Ancillary Fund Guidelines 2019*, including:

- i. giving a true and fair view of the Trust's financial position as at 30 June 2020, and of its financial performance and its cash flows for the year ended on that date; and
- ii. 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*.

The **Financial Report** comprises:

- i. Statement of financial position as at 30 June 2020.
- ii. Statement of comprehensive income and statement of cash flows for the year then ended.
- iii. Notes including a summary of significant accounting policies.
- iv. Directors' Declaration of the Trustee.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Trust in accordance with the auditor independence requirements of the *ACNC Act 2012*, the *Private Ancillary Fund Guidelines 2019*, and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (including Independence Standards) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.



Emphasis of matter – basis of preparation and restriction on use

We draw attention to Note 1 to the Financial Report, which describes the basis of preparation.

The Financial Report has been prepared for the purpose of fulfilling the Trustee's financial reporting responsibilities under the *ACNC Act 2012*, the *Private Ancillary Fund Guidelines 2019*, and the Trust Deed. As a result, the Financial Report and this Auditor's Report may not be suitable for another purpose.

Our report is intended solely for the members of the Trust and ACNC and should not be used by any other party. We disclaim any assumption of responsibility for any reliance on this Auditor's Report, or on the Financial Report to which it relates to any person other than the members of the Trust and ACNC. Our opinion is not modified in respect of this matter.

Responsibilities of the Trustee for the Financial Report

The Trustee is responsible for:

- i. Preparing the Financial Report that gives a true and fair view in accordance with Australian Accounting Standards, the *Private Ancillary Fund Guidelines 2019*, and the ACNC.
- ii. Determining that the basis of preparation described in Note 1 to the Financial Report is appropriate to meet the requirements of the ACNC, the *Private Ancillary Fund Guidelines 2019*, and the Trust Deed. The basis of preparation is also appropriate to meet the needs of the members.
- iii. Implementing necessary internal control 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.
- iv. Assessing the Trust's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- i. to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- ii. 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. They 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 *Australian Auditing Standards*, we exercise professional judgement and maintain professional scepticism throughout the audit.



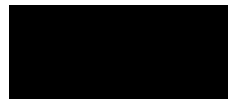
We also:

- i. 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.
- ii. 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 registered Trust's internal control.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee.
- iv. Conclude on the appropriateness of the Trustee'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 the Trust'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 Trust to cease to continue as a going concern.
- v. 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 Trustee of the registered Trust 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.

KPMG

KPMG



Andrew Reeves

Partner

Sydney

14 December 2020



Auditor's Independence Declaration under subdivision 60-C section 60-40 of Australian Charities and Not-for-profits Commission Act 2012

To: [REDACTED]

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2020 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG



Andrew Reeves

Partner

Sydney

14 December 2020