

The Moreton Bay Foundation Trust

ABN 77 562 800 947

Financial Statements

For the Year Ended 30 June 2022

The Moreton Bay Foundation Trust

ABN 77 562 800 947

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For the Year Ended 30 June 2022

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Income Statement

For the Year Ended 30 June 2022

	2022	2021
	\$	\$
Donations	171,451	60,445
Other income	26,959	-
interest received	1,681	1,870
Unrealised loss on revaluation of investment	(17,142)	-
Project Expenditure	(38,639)	(25,830)
Other expenses	(5,241)	(217)
Profit before income tax	139,069	36,268
Income tax expense	-	-
Profit for the year	139,069	36,268
Accumulated surplus at the end of financial year	139,069	36,268

The accompanying notes form part of these financial statements.

The Moreton Bay Foundation Trust

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Balance Sheet

As At 30 June 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	624,737	571,219
Trade and other receivables	4	289,865	279,865
TOTAL CURRENT ASSETS		914,602	851,084
NON-CURRENT ASSETS			
Other assets		90,818	-
TOTAL NON-CURRENT ASSETS		90,818	-
TOTAL ASSETS		1,005,420	851,084
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	5	20,433	5,166
TOTAL CURRENT LIABILITIES		20,433	5,166
TOTAL LIABILITIES		20,433	5,166
NET ASSETS		984,987	845,918
EQUITY			
Retained Earnings		984,987	845,918
TOTAL EQUITY		984,987	845,918

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity For the Year Ended 30 June 2022

2022

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2021	845,918	845,918
Surplus for the year	139,069	139,069
Balance at 30 June 2022	984,987	984,987

2021

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2020	809,650	809,650
Surplus for the year	36,268	36,268
Balance at 30 June 2021	845,918	845,918

The accompanying notes form part of these financial statements.

The Moreton Bay Foundation Trust

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Statement of Cash Flows For the Year Ended 30 June 2022

	2022	2021
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from members, donations, grants, and other	188,410	81,209
Payment to suppliers	<u>(134,892)</u>	<u>(19,011)</u>
Net cash provided by operating activities	6 <u>53,518</u>	62,198
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net increase in cash and cash equivalents held	53,518	62,198
Cash and cash equivalents at beginning of year	<u>571,219</u>	<u>509,021</u>
Cash and cash equivalents at end of financial year	3 <u><u>624,737</u></u>	<u><u>571,219</u></u>

The accompanying notes form part of these financial statements.

The Moreton Bay Foundation Trust

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Notes to the Financial Statements

For the Year Ended 30 June 2022

The financial statements cover The Moreton Bay Foundation Trust as an individual entity. The Moreton Bay Foundation Trust is a not-for-profit entity, registered and domiciled in Australia.

1 Basis of Preparation

In the opinion of those charged with Governance the Trust is not a reporting entity since there are unlikely to exist users of financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. The financial report is prepared to meet the requirements of the Directors.

These special purpose financial statements have been prepared to meet the reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*, and AASB 1054 *Australian Additional Disclosures*.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

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 Trust and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

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Notes to the Financial Statements For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies (continued)

(a) Revenue and other income (continued)

Subscriptions

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Trust expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Trust have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

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 Trust and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

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Notes to the Financial Statements For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies (continued)

(a) Revenue and other income (continued)

Statement of financial position balances relating to revenue recognition

Contract assets and liabilities

Where the amounts billed to customers are based on the achievement of various milestones established in the contract, the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer.

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or the before payment is due, the Trust presents the contract as a contract asset, unless the Trust's rights to that amount of consideration are unconditional, in which case the Trust recognises a receivable.

When an amount of consideration is received from a customer prior to the entity transferring a good or service to the customer, the Trust presents the contract as a contract liability.

Other income

Other income is recognised on an accruals basis when the Trust is entitled to it.

(b) Income Tax

The Trust is exempt from income tax under Division 50 of the *Income Assessment Act 1997*.

(c) 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).

Receivables and payable are stated inclusive of GST.

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.

(d) Volunteer services

No amounts are included in the financial statements for services donated by volunteers.

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Notes to the Financial Statements For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies (continued)

(e) Financial instruments

Financial instruments are recognised initially on the date that the Trust becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Trust classifies its financial assets into the following categories, those measured at:

- amortised cost

Financial assets are not reclassified subsequent to their initial recognition unless the Trust changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Trust's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the balance sheet.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Trust has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

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Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies (continued)

(e) Financial instruments (continued)

Financial assets (continued)

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Trust renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Trust measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Trust comprise trade payables, bank and other loans and lease liabilities.

(f) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(g) Employee benefits

Provision is made for the Trust's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

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Notes to the Financial Statements For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies (continued)

(g) Employee benefits (continued)

Defined contribution schemes

Obligations for contributions to defined contribution superannuation plans are recognised as an employee benefit expense in profit or loss in the periods in which services are provided by employees.

(h) Adoption of new and revised accounting standards

The Trust has adopted all standards which became effective for the first time at 30 June 2022, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Trust.

3 Cash and Cash Equivalents

	2022	2021
	\$	\$
Cash at bank	<u>624,737</u>	<u>571,219</u>

4 Trade and Other Receivables

CURRENT

Receivable from related party	<u>289,865</u>	<u>279,865</u>
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Total current trade and other receivables	<u>289,865</u>	<u>279,865</u>
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5 Trade and other payables

CURRENT

Other payables	<u>20,433</u>	<u>5,166</u>
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	<u>20,433</u>	<u>5,166</u>
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The Moreton Bay Foundation Trust

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Notes to the Financial Statements For the Year Ended 30 June 2022

6 Cash Flow Information

Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2022	2021
	\$	\$
Loss for the year	139,069	36,268
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(10,000)	20,764
- (increase)/decrease in other assets	(90,818)	-
- increase/(decrease) in trade and other payables	15,267	5,166
Cashflows from operations	<u>53,518</u>	<u>62,198</u>

7 Contingencies

In the opinion of the Directors, the Trust did not have any contingencies at 30 June 2022 (30 June 2021: None).

8 Statutory Information

The registered office of the Trustee is:
The Moreton Bay Foundation Limited
Level 16
300 Queen Street
BRISBANE QLD 4000

The Moreton Bay Foundation Trust

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Trustees' Declaration

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.

The directors of the trustee company declare that:

1. The financial statements and notes, as set out on pages 1, present fairly the Trust's financial position as at 30 June 2022 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 Trustees' 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; and
3. the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

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



Trustee-Director
Rob Siganto

Dated: 26 October 2022

The Moreton Bay Foundation Trust

Independent Audit Report to the members of The Moreton Bay Foundation Trust

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a special purpose financial report of The Moreton Bay Foundation Trust, which comprises the balance sheet as at 30 June 2022, the income statement, 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 trustees' declaration.

In our opinion, the financial report of The Moreton Bay Foundation Trust for the year ended 30 June 2022 is prepared, in all material respects, in accordance with Division 60 of the *Australian Charties and Not-for-profits Commission Act 2012*, including:

(i) giving a true and fair view of the Trust's financial position as at 30 June 2022 and its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of the *Australian Charties 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 Moreton Bay Foundation Trust in accordance with the auditor independence requirements of the *Australian Charties and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Boards' 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 is prepared for the purpose of fulfilling the The Moreton Bay Foundation Trust's financial reporting responsibilities under the ACNC Act. 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

The responsible person of the Trust are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act and the needs of the members. The responsible entities' responsibility also includes such internal control as the responsible entities determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the responsible entities are responsible for assessing The Moreton Bay Foundation Trust'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 responsible entities either intend to liquidate The Moreton Bay Foundation Trust or to cease operations, or has no realistic alternative but to do so.

The Moreton Bay Foundation Trust

Independent Audit Report to the members of The Moreton Bay Foundation Trust

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.

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 Moreton Bay Foundation Trust's 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 The Moreton Bay Foundation 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 reporter, 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 Moreton Bay Foundation Trust 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 control that we identify during our audit.



Mazars Assurance Pty Ltd
Authorised Audit Company: 338599



M. J. Green
Director

Brisbane, 26 October 2022

The Moreton Bay Foundation Trust

Independent Audit Report to the members of The Moreton Bay Foundation Trust

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022, there have been:

- (i) no contraventions of the auditor independence requirements as set out in section 60-40 of 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.

Mazars

Mazars Assurance Pty Ltd
Authorised Audit Company: 338599



M. J. Green
Director

Brisbane, 26 October 2022