

The Moreton Bay Foundation Limited

ABN 90 628 125 637

Financial Statements

For the Year Ended 30 June 2023

The Moreton Bay Foundation Limited

ABN 90 628 125 637

Contents

For the Year Ended 30 June 2023

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The Moreton Bay Foundation Limited

ABN 90 628 125 637

Statement of Profit or Loss For the Year Ended 30 June 2023

		2023	2022
	Note	\$	\$
Member subscriptions	3	72,050	87,600
Other income	3	377,695	64,390
Employee benefits expense		(157,402)	(88,944)
Depreciation and amortisation expense		(1,620)	(742)
Professional Fees		(11,957)	(10,095)
Project expenditure		(44,101)	(52,178)
Other expenses		(35,709)	(13,967)
Net profit/(loss) before tax		198,956	(13,936)
Income tax expense		-	-
Net profit/(loss) after tax		198,956	(13,936)
Accumulated income/(loss) at the end of financial year		198,956	(13,936)

The accompanying notes form part of these financial statements.

The Moreton Bay Foundation Limited

ABN 90 628 125 637

Statement of Financial Position

As At 30 June 2023

		2023	2022
	Note	\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	10,796	94,988
Trade and other receivables	5	2,202	73,322
TOTAL CURRENT ASSETS		<u>12,998</u>	<u>168,310</u>
NON-CURRENT ASSETS			
Property, plant and equipment	6	914	2,534
Intangible assets	7	500	500
TOTAL NON-CURRENT ASSETS		<u>1,414</u>	<u>3,034</u>
TOTAL ASSETS		<u>14,412</u>	<u>171,344</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	20,376	313,814
Contract liabilities	9	2,100	72,450
Employee benefits	10	9,990	2,090
TOTAL CURRENT LIABILITIES		<u>32,466</u>	<u>388,354</u>
TOTAL LIABILITIES		<u>32,466</u>	<u>388,354</u>
NET LIABILITIES		<u>(18,054)</u>	<u>(217,010)</u>
EQUITY			
Retained Earnings		<u>(18,054)</u>	<u>(217,010)</u>
TOTAL EQUITY		<u>(18,054)</u>	<u>(217,010)</u>

The accompanying notes form part of these financial statements.

The Moreton Bay Foundation Limited

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Statement of Changes in Equity For the Year Ended 30 June 2023

2023

	Retained Earnings	Total
	\$	\$
Balance at 1 July, 2022	217,010	217,010
Profit for the year	(198,956)	(198,956)
Balance at 30 June 2023	18,054	18,054

2022

	Retained Earnings	Total
	\$	\$
Balance at 1 July, 2021	203,074	203,074
Loss for the year	13,936	13,936
Balance at 30 June 2022	217,010	217,010

The accompanying notes form part of these financial statements.

The Moreton Bay Foundation Limited

ABN 90 628 125 637

Statement of Cash Flows For the Year Ended 30 June 2023

	2023	2022
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from members, donations, grants and other	2,972	158,690
Payments to suppliers and employees	<u>(87,164)</u>	<u>(150,644)</u>
Net cash (used in)/provided by operating activities	12 <u>(84,192)</u>	8,046
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net (decrease)/increase in cash and cash equivalents held	(84,192)	8,046
Cash and cash equivalents at beginning of year	<u>94,988</u>	<u>86,942</u>
Cash and cash equivalents at end of financial year	4 <u><u>10,796</u></u>	<u><u>94,988</u></u>

The accompanying notes form part of these financial statements.

The Moreton Bay Foundation Limited

ABN 90 628 125 637

Notes to the Financial Statements

For the Year Ended 30 June 2023

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

1 Basis of Preparation

In the opinion of those charged with Governance the Company 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 covers The Moreton Bay Foundation Limited (trustee company) and 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) Going concern

The directors have prepared the 30 June 2023 financial report on a going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. This is deemed to be appropriate notwithstanding that as at 30 June 2023, the Company has a deficiency of net assets of \$18,054 (2022: \$217,010).

The ability of the Company to continue as a going concern is dependent on the ongoing support of The Moreton Bay Foundation Trust.

There is inherent uncertainty whether the Company will be able to continue as a going concern and therefore, whether it will extinguish its liabilities in the normal course of business and the amounts stated in the financial statement should this support be withdrawn and should the Company not be able to find alternate financial support.

These financial statements do not include adjustments relating to the amounts and classification of assets and liabilities that might be necessary should the Company not continue as a going concern.

(b) 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 Company 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.

The Moreton Bay Foundation Limited

ABN 90 628 125 637

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies (continued)

(b) 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 Company 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 Company 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 Company 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.

The Moreton Bay Foundation Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies (continued)

(b) 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 Company presents the contract as a contract asset, unless the Company's rights to that amount of consideration are unconditional, in which case the Company 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 Company presents the contract as a contract liability.

Other income

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

(c) Income Tax

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

(d) 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.

(e) Volunteer services

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

The Moreton Bay Foundation Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies (continued)

(f) Financial instruments

Financial instruments are recognised initially on the date that the Company 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 Company 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 Company 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 Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

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 Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The Moreton Bay Foundation Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies (continued)

(f) 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 Company 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 Company 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 Company comprise trade payables, bank and other loans and lease liabilities.

(g) 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.

(h) Employee benefits

Provision is made for the Company'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.

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.

The Moreton Bay Foundation Limited

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Notes to the Financial Statements For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies (continued)

(i) Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time at 30 June 2023, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

3 Revenue and Other Income

Revenue from continuing operations

	2023	2022
	\$	\$
Revenue from other sources		
- Member subscriptions	72,050	87,600
Total Revenue	72,050	87,600

	2023	2022
	\$	\$
Other Income		
- management fees	318,506	-
- ticket sales	44,405	64,390
- grants	14,784	-
Total Other Income	377,695	64,390

4 Cash and Cash Equivalents

	2023	2022
	\$	\$
Cash at bank	10,796	94,988

5 Trade and Other Receivables

	2023	2022
	\$	\$
CURRENT		
Trade receivables	1,600	73,200
GST receivable	480	-
Receivable from related party	122	122
Total current trade and other receivables	2,202	73,322

The Moreton Bay Foundation Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2023

6 Property, plant and equipment

Office equipment

At cost

3,276 3,276

Accumulated depreciation

(2,362) (742)

Total property, plant and equipment

914 2,534

7 Intangible Assets

Intangible assets

Cost

500 500

Total Intangible assets

500 500

8 Trade and other payables

2023

2022

\$

\$

CURRENT

Trade payables

- 438

GST payable

- 1,500

Sundry payables and accrued expenses

- 6,000

Accrued audit expense

7,260 600

Other payables

9,030 11,857

Superannuation payable

4,086 3,554

Related party payable

- 289,865

20,376 313,814

9 Other Financial Liabilities

2023

2022

\$

\$

CURRENT

Deferred income

2,100 72,450

Total

2,100 72,450

The Moreton Bay Foundation Limited

ABN 90 628 125 637

Notes to the Financial Statements For the Year Ended 30 June 2023

10 Employee Benefits

	2023	2022
	\$	\$
CURRENT		
Provision for employee benefits	9,990	2,090
	<u>9,990</u>	<u>2,090</u>

11 Auditors' Remuneration

	2023	2022
	\$	\$
Remuneration of the auditor, Mazars Assurance Pty Ltd, for:		
- auditing or reviewing the financial statements	7,260	6,600
Total	<u>7,260</u>	<u>6,600</u>

12 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:

	2023	2022
	\$	\$
Profit/(loss) for the year	198,956	(13,936)
Changes in assets and liabilities:		
- decrease in other assets	71,120	22,100
- decrease/(increase) in property, plant and equipment	1,620	(2,430)
- (decrease)/increase in trade and other payables	(293,438)	15,622
- increase in contract liabilities	(70,350)	(15,400)
- (decrease)/increase in employee provisions	7,900	2,090
Cashflows from operations	<u>(84,192)</u>	<u>8,046</u>

13 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2023 (30 June 2022: None).

14 Statutory Information

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

The Moreton Bay Foundation Limited

ABN 90 628 125 637

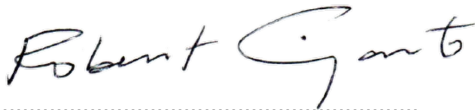
Directors' Declaration

The directors have determined that the Company 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 Company declare that:

1. The financial statements and notes, as set out on pages 1 - 12, present fairly the Company's financial position as at 30 June 2023 and its performance for the year ended on that date in accordance with the accounting policies described in Note 2 to the financial statements; and
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
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-Profits Commission Regulation 2022*.



Director

Rob Siganto

Dated: 27 November 2023

The Moreton Bay Foundation Limited

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

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 Limited (the Company), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company for the year ended 30 June 2023 is prepared, in all material respects, in accordance with Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- i. giving a true and fair view of the financial position as at 30 June 2023 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 Charities and Not-for-Profits Commission Regulation 2022*.

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 Limited in accordance with the auditor independence requirements of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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 Moreton Bay Foundation Limited's financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for The Moreton Bay Foundation Limited and should not be distributed to or used by parties other than The Moreton Bay Foundation Limited. Our opinion is not modified in respect of this matter.

The Moreton Bay Foundation Limited

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

Material Uncertainty Related to Going Concern

We draw attention to Note 2(a) in the financial report, which indicates that as at 30 June 2023, the Company's liabilities exceeded its total assets by \$18,054. As stated in Note 2(a), these events or conditions, along with other matters as set forth in Note 2(a), indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with *Australian Charities and Not-for-Profits Commission Act 2012*; and for such internal control as management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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.

The Moreton Bay Foundation Limited

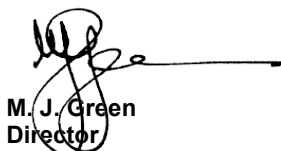
Independent Audit Report to the members of The Moreton Bay Foundation Limited

- Obtain and understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but no for the purpose of expressing an opinion on the effectiveness of The Moreton Bay Foundation Trust's internal control.
- Evaluate the appropriate 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 Limited'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 Limited 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 transaction 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, 27 November 2023



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The Moreton Bay Foundation Limited

ABN 90 628 125 637

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of The Moreton Bay Foundation Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023, 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 Assurance Pty Ltd
Authorised Audit Company: 338599

M. J. Green
Director

Brisbane, 27 November 2023