

Milner Road Foundation

ABN: 27 270 322 639

Financial Statements

For the Year Ended 30 June 2021

Milner Road Foundation

ABN: 27 270 322 639

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For the Year Ended 30 June 2021

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2021

	2021	2020
Income	Note	Note
	\$	\$
Gross Trust Distributions	39,350	18,404
Gross Interest	1,346	976
Franking Credits	130	5,659
Other Income	-	757
Total Income	40,826	25,796
Other Income		
Donations Received	250,000	305,530
Increase / (Decrease) in Market Value of Investments	19,669	(63,185)
Total Other Income	269,669	242,345
Expenses		
Grants Made	(73,596)	(76,067)
Audit Fees	(880)	(825)
Website and Software Expense	(667)	(7,643)
Other Expenses	(648)	(585)
Filing Fees	(55)	(134)
Accountancy Fees	-	(2,345)
Membership Fees	-	(787)
Bank Charges	-	(2)
Total Expenses	(75,846)	(88,388)
Surplus before Income Tax	234,649	179,753
Income Tax Expense	-	-
Surplus for the Year	234,649	179,753
Total Comprehensive Income for the Year	234,649	179,753

The accompanying notes form part of these financial statements.

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Statement of Financial Position

30 June 2021

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	3	333,311	152,152
Trade and Other Receivables	4	3,995	13,224
TOTAL CURRENT ASSETS		<u>337,306</u>	<u>165,376</u>
NON-CURRENT ASSETS			
Investments at Market Value		<u>503,322</u>	440,603
TOTAL NON-CURRENT ASSETS		<u>503,322</u>	440,603
TOTAL ASSETS		<u>840,628</u>	<u>605,979</u>
NET ASSETS		<u>840,628</u>	<u>605,979</u>
TRUST FUNDS			
Settlement Sum		100	100
Accumulated Surplus		<u>840,528</u>	<u>605,879</u>
TOTAL TRUST FUNDS		<u>840,628</u>	<u>605,979</u>

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity
For the Year Ended 30 June 2021

2021

	Settlement Sum	Accumulated Surplus	Total
	\$	\$	\$
Balance at 1 July 2020	100	605,879	605,979
Surplus for the year	-	234,649	234,649
Balance at 30 June 2021	100	840,528	840,628

2020

	Settlement Sum	Accumulated Surplus	Total
	\$	\$	\$
Balance at 1 July 2019	100	426,126	426,226
Surplus for the year	-	179,753	179,753
Balance at 30 June 2020	100	605,879	605,979

The accompanying notes form part of these financial statements.

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Statement of Cash Flows
For the Year Ended 30 June 2021

	2021	2020
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from donations	250,000	75,530
Interest received	1,346	976
Cash receipts from the other operating activities	5,659	2,266
Cash payments from the other operating activities	<u>(75,846)</u>	<u>(88,388)</u>
Net cash provided by / (used in) operating activities	<u>181,159</u>	<u>(9,616)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Other cash items from investing activities	-	94
Net cash (used in) / provided by investing activities	<u>-</u>	<u>94</u>
Net increase / (decrease) in cash and cash equivalents held	181,159	(9,522)
Cash and cash equivalents at beginning of year	<u>152,152</u>	161,674
Cash and cash equivalents at end of financial year	3 <u>333,311</u>	<u>152,152</u>

The accompanying notes form part of these financial statements.

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Notes to the Financial Statements

For the Year Ended 30 June 2021

The financial report covers Milner Road Foundation as an individual entity. Milner Road Foundation ("the Foundation") is a not-for-profit entity, incorporated and domiciled in Australia.

The principal activities of the Foundation for the year ended 30 June 2021 were to provide educational opportunities to disadvantaged young people in South Australia.

1 Basis of Preparation

Financial Reporting Framework

The financial statements are special purpose financial statements that have been prepared in accordance with the requirements of the Trust deed, *Australian Charities and Non-for-Profits Commission Act 2012* and the *Taxation Administration (Private Ancillary Fund) Guidelines 2019*. The directors of the trustee company ("Trustee") determined that the Foundation is not a reporting entity because there are no users dependent on the financial report. The Foundation is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Australian Charities and Not-For-Profits Commission Act 2012*, the *Taxation Administration (Private Ancillary Fund) Guidelines 2019*, and the significant accounting policies disclosed below, which the Trustee has determined are appropriate to meet the requirements of the Trust Deed, the *Australian Charities and Not-For-Profits Commission Act 2012*, and the *Taxation Administration (Private Ancillary Fund) Guidelines 2019*. Such accounting policies are consistent with those of previous periods unless stated otherwise.

Statement of Compliance

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Australian Charities and Not-For-Profits Commission Act 2012*, the basis of accounting specified by all Australian Accounting Standards and 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*, *AASB 1031 Materiality* and *AASB 1054 Australian Additional Disclosures*.

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

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

Notes to the Financial Statements

For the Year Ended 30 June 2021

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 has been satisfied.

Interest and donations revenue are recognised when it is paid to the Foundation.

Dividends, trust distributions and refundable franking credits are recognised when the right to receive the consideration has been established.

(b) Income Tax

The Foundation is exempt from income tax under *Subdivision 50-B of the Income Tax Assessment Act 1997*.

(c) Goods and services tax (GST)

The Foundation is not registered for GST.

(d) Financial instruments

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

On initial recognition, all financial instruments are measured at cost plus transaction costs (where applicable).

Financial assets

All recognised financial assets are subsequently measured at fair value through profit or loss (FVPL) with changes in carrying value being included under other income in the Statement of Profit or Loss and Other Comprehensive Income. Quoted bid prices in an active market are used to determine fair value whenever possible.

(e) 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.

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Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(f) Expenses

Grants are recognised as expenses to the Foundation when they are paid.

(g) Critical Accounting Estimates and Judgements

The Trustee evaluates 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.

(h) Related Parties

There were no reportable transactions with related parties during the financial year.

3 Cash and Cash Equivalents

	2021	2020
	\$	\$
Bendigo Bank- Deposit Account	226,632	48,648
Bendigo Bank- Term Deposit	101,098	100,011
Bendigo Bank- Debit Card	5,581	3,493
	<u>333,311</u>	<u>152,152</u>

4 Trade and Other Receivables

	2021	2020
	\$	\$
CURRENT		
Trust Distribution Receivable	3,865	7,565
Franking Credits Receivable	130	5,659
Total current trade and other receivables	<u>3,995</u>	<u>13,224</u>

5 Contingencies

In the opinion of the Trustee, the Foundation did not have any contingencies at 30 June 2021 (30 June 2020: Nil).

6 Events Occurring After the Reporting Date

The financial report was authorised for issue on 20 December 2021 by the Trustee.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Foundation, the results of those operations, or the state of affairs of the Foundation in future financial years.

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Notes to the Financial Statements

For the Year Ended 30 June 2021

7 Statutory Information

The registered office and principal place of business of the company is:

42 Main Street

EASTWOOD

SA 5063

26 Light Terrace

THEBARTON

SA 5031

Milner Road Foundation

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Trustee Company Directors' Declaration

The Trustee of the Foundation declare that the trust is not a reporting entity and that the special purpose financial statements should be prepared in accordance with the accounting policies in Note 2 to the financial statements.

In accordance with a resolution of the Board of Directors, the Trustee declare that:

1. the financial statements and notes for the year ended 30 June 2021 are in accordance with the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*;
2. in the Trustee's opinion, the Foundation has complied with the *Taxation Administration (Private Ancillary Fund) Guidelines 2019*; and
3. in the Trustee's opinion, there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they become due and payable.

Director Lisa J. Tarca

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Dated this 20 day of December 2021

Milner Road Foundation

Independent Audit Report to the members of Milner Road Foundation

Part A: Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Milner Road Foundation ("the Foundation"), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Trustee Company Directors' Declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of Milner Road Foundation as at 30 June 2021 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 2 to the financial statements and the requirements of the Trust Deed, the *Taxation Administration (Private Ancillary Fund) Guidelines 2019* and 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 Foundation in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and 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 to the financial report, which describes the basis of preparation. The financial report has been prepared to assist the Foundation to meet the requirements of its Trust Deed, the *Australian Charities and Not-for-profits Commission Act 2012* and the *Taxation Administration (Private Ancillary Fund) Guidelines 2019*. As a result, the financial report may not be suitable for another purpose.

Responsibilities of Directors for the Financial Report

The directors of the trustee company ("Trustee") are responsible for the preparation and fair presentation of the financial report and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Trust Deed, the *Australian Charities and Not-for-profits Commission Act 2012* and the *Taxation Administration (Private Ancillary Fund) Guidelines 2019*.

The Trustee's responsibility also includes such internal control as the Trustee determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Milner Road Foundation

Independent Audit Report to the members of Milner Road Foundation

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

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the 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 Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee.
- 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 Foundation'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 Foundation 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 Trustee 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.

Milner Road Foundation

Independent Audit Report to the members of Milner Road Foundation

Part B: Compliance

Opinion

In our opinion, the Trustee has complied, in all material respects, with the *Taxation Administration (Private Ancillary Fund) Guidelines 2019* for the year ended 30 June 2021.

Trustee's Responsibility for Compliance

The Trustee is responsible for complying with the requirements of the *Taxation Administration (Private Ancillary Fund) Guidelines 2019*.

Auditor's Responsibility

Our responsibility is to express an opinion on the Trustee's compliance based on the compliance engagement. Our audit has been conducted in accordance with applicable Standards on Assurance Engagements to provide reasonable assurance that the Trustee of the Foundation complied, in all material respects, with the *Taxation Administration (Private Ancillary Fund) Guidelines 2019*.

Our procedures included examinations, on a test basis, of evidence of supporting compliance with the *Taxation Administration (Private Ancillary Fund) Guidelines 2019*. These tests have not been performed continuously throughout the year and were not designed to detect all instances of non compliance.

Our procedures included testing that the Trustee has an investment strategy, that the Trustee has given consideration to risk, return, liquidity and diversification, and that the Foundation's investments are made in line with that investment strategy. No opinion is made on the investment strategy or its appropriateness to the Trustee.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit conclusion.



PERKS AUDIT PTY LTD
180 Greenhill Road
Parkside
South Australia 5063



PETER J HILL
Director
Registered Company Auditor

Dated this th20 day of December 2021