



Foundation Perpetuity Trust

ABN 23 002 494 198

Financial Statements
for the period 1 July 2020 to 30 June 2021

FOUNDATION PERPETUITY TRUST
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 \$	2020 \$
Continuing operations			
Total revenues from Contributions	2	2,753,351	4,600,000
Total revenues from Interest	2	14,573	92,876
Total revenues from Investment Income	2	1,234,716	1,031,072
		<hr/>	<hr/>
Total revenues from Continuing Operations	2	4,002,640	5,723,948
		<hr/>	<hr/>
Net increase/(decrease) in investments	3	2,044,391	(2,492,143)
		<hr/>	<hr/>
Surplus from continuing operations before income tax expense and trust distributions		6,047,031	3,231,805
Income tax expense relating to continuing operations		-	-
Trust distributions		(8,003,836)	(5,000,000)
		<hr/>	<hr/>
Net surplus/(deficit) from continuing operations after income tax expense and trust distributions		(1,956,805)	(1,768,195)
		<hr/>	<hr/>
Other comprehensive income		-	-
		<hr/>	<hr/>
Total comprehensive income/(loss) for the period		<u><u>(1,956,805)</u></u>	<u><u>(1,768,195)</u></u>

The above Statement of Profit or Loss and Other Comprehensive income should be read in conjunction with the accompanying notes.

FOUNDATION PERPETUITY TRUST
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

	Note	2021 \$	2020 \$
CURRENT ASSETS			
Cash and Cash Equivalents		987,324	378,310
Other Financial Assets	4	18,328,349	20,894,168
TOTAL CURRENT ASSETS		<u>19,315,673</u>	<u>21,272,478</u>
TOTAL NON-CURRENT ASSETS		<u>-</u>	<u>-</u>
TOTAL ASSETS		<u>19,315,673</u>	<u>21,272,478</u>
TOTAL CURRENT LIABILITIES		<u>-</u>	<u>-</u>
TOTAL LIABILITIES		<u>-</u>	<u>-</u>
NET ASSETS		<u>19,315,673</u>	<u>21,272,478</u>
TRUST FUNDS			
Settlement Capital		10	10
Accumulated Funds		19,315,663	21,272,468
TOTAL TRUST FUNDS		<u>19,315,673</u>	<u>21,272,478</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

**FOUNDATION PERPETUITY TRUST
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021**

	Note	2021 \$	2020 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest Receipts		14,573	92,876
Receipts from Contributions		2,753,351	4,600,000
Franking Credits refunded by ATO		69,456	91,685
Trust distributions paid		(8,003,836)	(5,000,000)
Net cash (outflow) / inflow from operating activities	6(a)	<u>(5,166,456)</u>	<u>(215,439)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Redemption of Investment		7,592,509	10,232,720
Amounts placed on Investment		(1,817,039)	(13,191,808)
SLSA Loan Repayment		-	-
Net cash inflow/(outflow) from investing activities		<u>5,775,470</u>	<u>(2,959,088)</u>
Net increase in cash and cash equivalents held		609,014	(3,174,527)
Cash and cash equivalents at the beginning of the financial year		378,310	3,552,837
Cash and cash equivalents at the end of the financial year		<u><u>987,324</u></u>	<u><u>378,310</u></u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

**FOUNDATION PERPETUITY TRUST
STATEMENT OF CHANGES IN TRUST FUNDS
FOR THE YEAR ENDED 30 JUNE 2021**

	Note	2021 \$	2020 \$
TRUST FUNDS			
Balance at beginning of year		21,272,478	23,040,673
Surplus/(Deficit)		(1,965,805)	(1,768,195)
Balance at end of year		<u>19,315,673</u>	<u>21,272,478</u>

The above Statement of Changes in Trust funds should be read in conjunction with the accompanying notes.

**FOUNDATION PERPETUITY TRUST
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

GENERAL INFORMATION

The Foundation Perpetuity Trust (Trust) is a charitable trust which was established by deed of trust (Trust Deed). Prior to 4 December 2014, the Trust was known as the Surf Life Saving Rescue Fund Trust. The Surf Life Saving Foundation is the Trustee of the Trust which is maintained and applied solely for specific purposes outlined in the Trust Deed. Contributions to the Trust may be made by Surf Life Saving entities, corporations, institutions, organisations and the public generally. The Trust is registered under ABN 23 002 494 198 on the Australian Business Register and the Australian Charities and Not-for-Profits Commission Register.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

(i) Special purpose financial report

In the opinion of the Trustee, the Trust is not a reporting entity because there are no users dependent on general purpose financial reports.

This is a special purpose financial report that has been prepared for the purpose of complying with Trust Deed requirements and to satisfy the financial reporting requirements of the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act).

The financial report has been prepared in accordance with the requirements of the ACNC Act and the following Australian Accounting Standards:

- AASB 101 Presentation of Financial Statements
- AASB 107 Statement of Cash Flows
- AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors
- AASB 110 Events After the End of the Reporting Period
- AASB 1048 Interpretation of Standards
- AASB 1054 Australian Additional Disclosures,

as appropriate for not-for-profit oriented entities.

(ii) New, revised or amending accounting standards and interpretations adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2021 reporting periods. The Trustee has assessed these standards and interpretations and decided not to early adopt them for the 30 June 2021 reporting period. The potential impact of these standards is currently being assessed for future reporting periods.

**FOUNDATION PERPETUITY TRUST
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(iii) Historical cost conventions

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss.

(iv) Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying accounting policies. There are no material critical accounting estimates used in the preparation of the financial statements.

(b) Revenue

Revenue is recognised at an amount that reflects the consideration which the Trust expects to be entitled to from contributions received and investment income earned. Specifically, in relation to the Trust's activities:

- Revenue from Contributions is recognised at the point in time when the contribution is received or when the right to receive payment is established.
- Interest revenue is recognised as interest is received or earned.
- Investment income includes dividends, franking credits, and other income earned on investments and is recognised when the right to receive the income is established or at the point in time when received.

Investment income is normally re-invested unless otherwise directed.

**FOUNDATION PERPETUITY TRUST
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Taxation

The Trust is exempt from income tax.

(d) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(e) Trust Distributions

Trust Distributions are recognised for amounts at the time that they are approved by the Trustees in accordance with the Trust Deed.

(f) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

The gross amount of GST recoverable from, and payable to, the taxation authority is included as part of receivables and payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a net basis.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

**FOUNDATION PERPETUITY TRUST
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Investments and other financial assets

All funds are invested in cash deposits or short-term securities and beneficiaries to the trust may access their funds on short notice. As such, all investments are classified as current assets.

(i) Classification and Measurement under AASB 9

The Trust's only financial assets are Perpetuity Funds which are initially recognised at fair value. Transaction costs of financial assets carried at fair value through profit or loss ('FVTPL') are expensed in profit or loss in the period in which they are incurred. Perpetuity Funds are managed and their performance is evaluated on a fair value basis and therefore the business model is neither to hold to collect contractual cash flows or sell the financial assets. Hence, these investments are mandatorily required under AASB 9 to be measured at fair value through profit or loss.

Gain or losses arising from changes in fair value of Perpetuity Funds are presented in the profit or loss within *net increase / (decrease) in investments* in the period in which they arise. Distribution income from these financial assets at fair value are recognised in profit or loss as part of Investment Income when the Trust's right to receive payments is established.

(ii) Recognition and derecognition

Purchases and sales of financial assets are recognised on the date the Trust commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Trust has transferred substantially all the risks and rewards of ownership.

(iii) Impairment

The Trust's only financial assets are valued at fair value through profit or loss, and as a result, do not require an annual review for impairment.

FOUNDATION PERPETUITY TRUST
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
NOTE 2: REVENUE		
Operating activities		
- Contributions	2,753,351	4,600,000
- Interest	14,573	92,876
- Distribution Income	1,165,260	939,387
- Franking Credits refunded by ATO	69,456	91,685
Total Revenue	<u>4,002,640</u>	<u>5,723,948</u>

NOTE 3: SURPLUS/(DEFICIT) FROM CONTINUING OPERATIONS

Surplus/(Deficit) from continuing operations has been determined after:

Management Fees	(56,562)	(70,362)
Net increase/(decrease) in investments	<u>2,100,953</u>	<u>(2,421,781)</u>
	<u>2,044,391</u>	<u>(2,492,143)</u>

NOTE 4: OTHER FINANCIAL ASSETS

Financial assets at fair value	<u>18,328,349</u>	<u>20,894,168</u>
	<u>18,328,349</u>	<u>20,894,168</u>

FOUNDATION PERPETUITY TRUST
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

2021
\$

2020
\$

NOTE 6: CASH FLOW INFORMATION

- (a) Reconciliation of surplus/(deficit) from continuing operations to net cash provided by/(used in) operating activities

Operating (deficit)/surplus from continuing operations	(1,956,805)	(1,768,195)
Decrease/(Increase) in:		
Non cash investment income and expenses	(3,209,651)	1,552,756
Net cash (outflow) / inflow from operating activities	(5,166,456)	(215,439)

- (b) Unused Credit Facilities

The Trust has no unused credit stand-by or financing facilities in place.

- (c) Non-cash Financing Transactions

There were no non-cash financing transactions during the year.

**FOUNDATION PERPETUITY TRUST
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 7: EVENTS OCCURRING AFTER THE REPORTING PERIOD

There are no material events occurring after the reporting period that require disclosure.

NOTE 8: RELATED PARTY DISCLOSURES

Transactions between the Trustee and the Trust:

2021	2020
\$	\$
-	-

NOTE 9: CONTINGENT LIABILITIES

There are no contingent liabilities that require disclosure (2020: Nil).

NOTE 10: FORWARD COMMITMENTS

There are no forward commitments that require disclosure (2020: Nil).

NOTE 11: AUDITOR'S REMUNERATION

Fees for services rendered by the Trust's auditor are borne by The Surf Life Saving Foundation.

**FOUNDATION PERPETUITY TRUST
STATEMENT BY THE BOARD OF DIRECTORS OF THE TRUSTEE**

The Directors' of the Trustee have determined that the Trust is not a reporting entity and that these special purpose financial statements should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

In the Directors' opinion:

1. The financial statements, comprising the statement of profit or loss and other comprehensive income, statement of financial position, statement of cash flows, statement of changes in trust funds, and accompanying notes, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and:
 - (a) comply with Accounting Standards as described in Note 1 to the financial statements and the Australian Charities and Not-for-profits Commission Regulation 2013 (ACNC Regulation 2013); and
 - (b) give a true and fair view of the Trust's financial position as at 30 June 2021 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. There are reasonable grounds to believe that the Trust will be able to pay all of its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



Darrin Bragg
Chairman/Director
The Surf Life Saving Foundation

Dated: 15 October 2021

INDEPENDENT AUDITOR'S REPORT

To the Directors of the Trustee of the Foundation Perpetuity 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 Foundation Perpetuity Trust ('the Trust'), 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 trust funds and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the trustee's declaration.

In our opinion the accompanying financial report of the Foundation Perpetuity Trust, is 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 Trust's financial position as at 30 June 2021 and of its financial performance 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*.

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 Trust in accordance with the auditor independence requirements of the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act) 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 accounting. The financial report has been prepared for the purpose of fulfilling the 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.



Trustees' Responsibility for the Financial Report

The directors of the Trustee 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 directors' responsibility also includes such internal control as the directors 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 directors are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors 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 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'Martin Coyle', is written over a faint, larger 'BDO' logo.

Martin Coyle
Director

Sydney, 15 October 2021