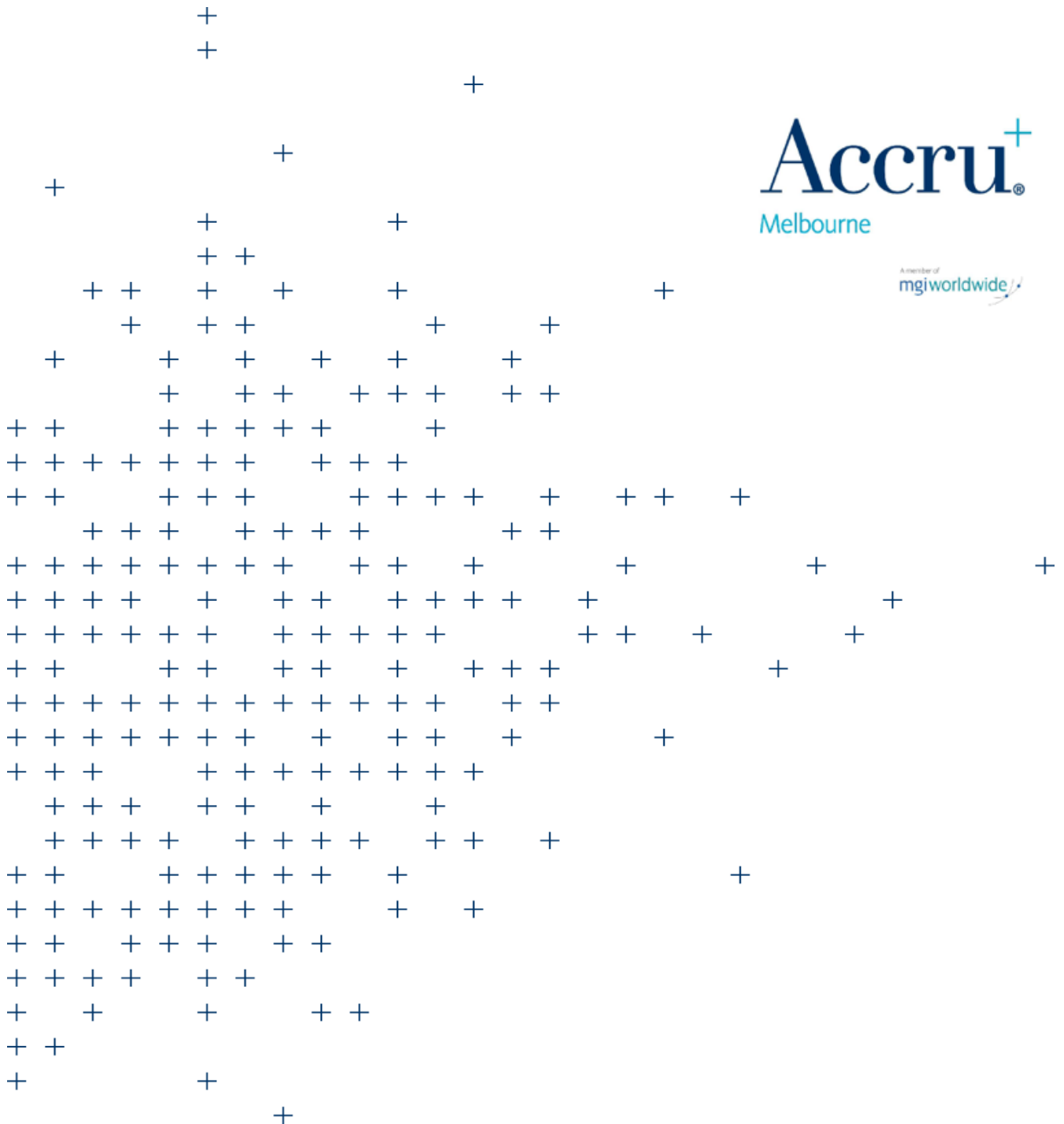




FREEMASONS BENEVOLENT FUND

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022



Freemasons Benevolent Fund

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For the Year Ended 30 June 2022

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Freemasons Benevolent Fund

Directors' Report

30 June 2022

The Directors of Freemasons Foundation Victoria Limited (Trustee Company) present their report on Freemasons Benevolent Fund (Trust) for the financial year ended 30 June 2022.

Directors

The names of the directors in office at any time during, or since the end of, the year are:

Names	Position	Appointed/Resigned
Rodney Lavin J.P.	Chairman	
Philip Mayers AM		
David Gibbs AM		
Garry James		
John Patterson		
Peter Henshall		
Xavier Murtagh		

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated. No remuneration was paid to any Director.

Company secretary

The following person held the position of Trust secretary during and at the end of the financial year:

Neil Gregory Cripps - since 09/11/16

Principal activities

Freemasons Benevolent Fund is registered as a charity with the Australian Charities and Not-for-profits Commission. Its main purposes are to raise funds, to make grants to charitable causes, support indigent Freemasons and their dependents, and to support the educational goals of the youth of Victoria. It commenced operation in December 2014.

There were no significant changes in the nature of the Trust's principal activities during the financial year.

Operating results

The deficit of the Trust amounted to \$ (464,599) (2021: surplus \$ 925,053).

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Trust during the year.

Events during and after the end of the reporting date

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

Likely developments

Likely developments in the operations of the Trust and the expected results of those operations are not expected to materially change the results of future operations.

Indemnification and insurance of officers and auditors

No indemnities have been given, during or since the end of the financial year, for any person who is or has been an officer or auditor of Freemasons Benevolent Fund.

Insurance premiums

During or since the end of financial year, the Trust has paid premiums in respect of directors' and officers' liability and legal expenses insurance contracts. Such insurance contracts insure certain liability (subject to specific exclusions)

Freemasons Benevolent Fund

Directors' Report

30 June 2022

Indemnification and insurance of officers and auditors

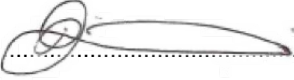
persons who are or have been directors or executive officers of the Trust.

The directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the directors' and officers' liability and legal expenses insurance contracts as such disclosure is prohibited under the terms of the contract.

Auditor's independence declaration

The auditor's independence declaration in accordance with section 60 of the *Australian Charities and Not-for-profits Commission Act 2012* for the year ended 30 June 2022 has been received and can be found on page 3 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

Chairman: 
Rodney Lavin J.P.

Dated 11 October 2022

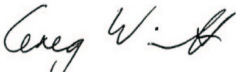
Freemasons Benevolent Fund

Auditor's Independence Declaration under Section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 to the Members of Freemasons Benevolent Fund

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 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.

ACCRU MELBOURNE (AUDIT) PTY LTD



G D WINNETT
Director

50 Camberwell Road
HAWTHORN EAST VIC 3123

11 October 2022

Freemasons Benevolent Fund

Statement of Comprehensive Income For the Year Ended 30 June 2022

	2022	2021
	\$	\$
Dividend and interest revenue	1,741,589	2,181,684
Donations	2,050	142,543
Management charge revenue	26,007	37,970
Other income	-	20,514
Depreciation and amortisation expense	(9,358)	-
Employee benefits expense	(139,762)	(193,093)
Distributions	(1,780,549)	(1,045,865)
Investment management	(125,377)	(119,567)
Other expenses	(178,033)	(99,133)
Finance costs	(1,166)	-
Surplus/(deficit) for the year	(464,599)	925,053
Other comprehensive income:		
Items that will not be reclassified to surplus		
Net fair value movements for financial assets	(4,776,836)	3,717,738
Net profit on sale of financial assets	554,678	963,654
Other comprehensive income/(loss) for the year	(4,222,158)	4,681,392
Total comprehensive income/(loss) for the year	(4,686,757)	5,606,445

The accompanying notes form part of these financial statements.

Freemasons Benevolent Fund

Statement of Financial Position

As at 30 June 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	230,055	691,732
Trade and other receivables	3	877,553	1,018,817
Other assets	4	20,171	19,402
TOTAL CURRENT ASSETS		<u>1,127,779</u>	<u>1,729,951</u>
NON-CURRENT ASSETS			
Loans and advances	3	37,653	41,855
Financial assets	5	37,245,345	41,214,416
Right-of-use assets		37,434	-
TOTAL NON-CURRENT ASSETS		<u>37,320,432</u>	<u>41,256,271</u>
TOTAL ASSETS		<u><u>38,448,211</u></u>	<u><u>42,986,222</u></u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	371,648	270,068
Employee benefits	8	16,820	11,123
Lease liabilities		10,117	-
TOTAL CURRENT LIABILITIES		<u>398,585</u>	<u>281,191</u>
NON-CURRENT LIABILITIES			
Employee benefits	8	10,209	6,828
Lease liabilities		27,971	-
TOTAL NON-CURRENT LIABILITIES		<u>38,180</u>	<u>6,828</u>
TOTAL LIABILITIES		<u>436,765</u>	<u>288,019</u>
NET ASSETS		<u><u>38,011,446</u></u>	<u><u>42,698,203</u></u>
EQUITY			
Original endowment	13	10	10
Reserves	13	37,750,076	41,970,184
Accumulated surplus		261,360	728,009
TOTAL EQUITY		<u><u>38,011,446</u></u>	<u><u>42,698,203</u></u>

The accompanying notes form part of these financial statements.

Freemasons Benevolent Fund

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

	Original Endowment	Accumulated surplus	Capital Account	Capital Preservation Reserve	Financial Asset Revaluation Reserve	Financial Asset Realisation Reserve	Total
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2021	10	728,009	32,376,660	2,913,297	4,378,120	2,302,107	42,698,203
Deficit for the year	-	(464,599)	-	-	-	-	(464,599)
Other comprehensive income							
Net fair value movements for financial assets	-	-	-	-	(4,776,836)	-	(4,776,836)
Net profit on sale of financial assets	-	-	-	-	-	554,678	554,678
Transfers							
Donations through capital account	-	(2,050)	2,050	-	-	-	-
Balance at 30 June 2022	10	261,360	32,378,710	2,913,297	(398,716)	2,856,785	38,011,446
Balance at 1 July 2020	10	359,071	32,376,286	2,357,556	660,382	1,338,453	37,091,758
Surplus for the year	-	925,053	-	-	-	-	925,053
Other comprehensive income							
Net fair value movements for financial assets	-	-	-	-	3,717,738	-	3,717,738
Net profit on sale of financial assets	-	-	-	-	-	963,654	963,654
Transfers							
Transfer to capital preservation reserve	-	(555,741)	-	555,741	-	-	-
Donations through capital account	-	(374)	374	-	-	-	-
Balance at 30 June 2021	10	728,009	32,376,660	2,913,297	4,378,120	2,302,107	42,698,203

The accompanying notes form part of these financial statements.

Freemasons Benevolent Fund

Statement of Cash Flows For the Year Ended 30 June 2022

	2022	2021
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Dividend and franking credits received	2,012,579	2,161,760
Interest received	43	18
Donations received	2,050	79,098
Other receipts	76,991	71,423
Payments to suppliers, beneficiaries and employees	(2,165,938)	(1,276,385)
Interest paid	(1,166)	-
Net cash provided by/(used in) operating activities	9 <u>(75,441)</u>	<u>1,035,914</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of financial assets	9,109,905	5,725,805
Purchase of financial assets	(9,487,437)	(6,252,222)
Net cash provided by/(used in) investing activities	<u>(377,532)</u>	<u>(526,417)</u>
Payment of lease liabilities	(8,704)	-
Net cash used by financing activities	<u>(8,704)</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents held	(461,677)	509,497
Cash and cash equivalents at beginning of year	<u>691,732</u>	<u>182,235</u>
Cash and cash equivalents at end of financial year	2 <u><u>230,055</u></u>	<u><u>691,732</u></u>

The accompanying notes form part of these financial statements.

Freemasons Benevolent Fund

Notes to the Financial Statements

For the Year Ended 30 June 2022

The financial report covers Freemasons Benevolent Fund as an individual entity. Freemasons Benevolent Fund is a not-for-profit Trust, incorporated and domiciled in Australia and primarily involved in charitable purposes.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosure Standards and the *Australian Charities and Not-for-profits Commission Act 2012*

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

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

1 Summary of Significant Accounting Policies

(a) Income Tax

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

(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 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.

Donations

Donations and bequests are recognised as revenue when the right to receive payment is established.

Interest revenue

Interest is recognised using the effective interest method.

Investment income

Investment income is recognised when the Trust's right to receive payment is established, which in the case of quoted securities is the tax date. The Trust does not pay tax, dividends and dividend franking credits are received in cash, and accordingly the Trust does not have a dividend franking account.

(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. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

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) 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).

Notes to the Financial Statements

For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies

(d) Financial instruments

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
- fair value through other comprehensive income (FVOCI)

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 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.

Fair value through other comprehensive income

Equity instruments

The Trust has a number of strategic investments in listed entities over which they do not have significant influence nor control. The Trust has made an irrevocable election to classify these equity investments as fair value through other comprehensive income as they are not held for trading purposes.

These investments are carried at fair value with changes in fair value recognised in other comprehensive income (financial asset reserve). On disposal any balance in the financial asset reserve is transferred to retained earnings and is not reclassified to profit or loss.

Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI.

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

1 Summary of Significant Accounting Policies

(d) Financial instruments

Financial assets

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following asset:

- financial assets measured at amortised cost

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Trust considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Trust's historical experience and informed credit assessment and including forward looking information.

The Trust uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Trust uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Trust in full, without recourse to the Trust to actions such as realising security (if any is held); or
- the financial assets are more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Trust in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

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 finance lease liabilities.

(e) Distributions

Distributions expenses represent grants made by the Trust and are recognised as incurred when the Trustee Company approves the grant application.

(f) Cash and cash equivalents

Cash and cash equivalents comprise 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.

Notes to the Financial Statements

For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies

(g) Fair value of assets

The Trust measures its financial assets at fair value on a recurring basis. 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 (i.e. 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. AASB 13 *Fair Value Measurement* requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy. The assigned level for financial asset held at fair value by the Trust is level 1: unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

(h) 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 plus related on-costs.

(i) Comparative amounts

Comparatives are consistent with prior years, unless otherwise stated.

(j) Leases

The Trust has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Trust recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(k) 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.

(l) New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Trust has decided not to early adopt these Standards, but does not expect the adoption of these standards to have any significant impact on the reported position or performance of the Trust.

Freemasons Benevolent Fund

Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Cash and Cash Equivalents

	2022	2021
	\$	\$
Cash at bank	230,055	691,732
	<u>230,055</u>	<u>691,732</u>

3 Trade and Other Receivables

CURRENT

Trade receivables	8,377	6,509
GST receivable	16,827	12,143
Accrued investment income	472,593	840,408
Franking credits receivable	379,756	159,757
	<u>877,553</u>	<u>1,018,817</u>

NON-CURRENT

Benevolent loans to Freemasons	37,653	41,855
	<u>37,653</u>	<u>41,855</u>

4 Other Assets

CURRENT

Prepayments	20,171	19,402
	<u>20,171</u>	<u>19,402</u>

5 Financial Assets

NON-CURRENT

Financial assets measured at Level 1 fair value through other comprehensive income	37,245,345	41,214,416
	<u>37,245,345</u>	<u>41,214,416</u>

6 Right-of-Use Assets and Lease Liabilities

Right-of-Use Assets

Balance at beginning of year	46,792	-
Depreciation charge	(9,358)	-
Total	<u>37,434</u>	<u>-</u>

Lease Liabilities

Current lease liabilities	10,117	-
Non-current lease liabilities	27,971	-
Total	<u>38,088</u>	<u>-</u>

Expenses

Depreciation and amortisation expense	9,358	-
Finance costs	1,166	-

Freemasons Benevolent Fund

Notes to the Financial Statements

For the Year Ended 30 June 2022

7 Trade and Other Payables

	2022	2021
	\$	\$
CURRENT		
Trade payables	280,887	211,950
Sundry payables and accrued expenses	90,761	58,118
	<u>371,648</u>	<u>270,068</u>

8 Employee Benefits

CURRENT		
Annual leave	16,820	11,123
NON-CURRENT		
Long service leave	10,209	6,828

9 Cash Flow Information

Reconciliation of net result to net cash provided by operating activities:		
Surplus for the year	(464,599)	925,053
Cash flows excluded from operating activities		
- capital distributions	294,921	-
Non-cash flows in surplus:		
- depreciation	9,358	-
- donations received in shares	-	(63,445)
- dividends reinvested under the dividend reinvestment plan	(170,476)	(812)
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	145,466	(12,796)
- (increase)/decrease in prepayments	(769)	(1,347)
- increase/(decrease) in trade and other payables	101,580	188,294
- increase/(decrease) in employee benefits	9,078	967
Cashflows from operations	<u>(75,441)</u>	<u>1,035,914</u>

10 Contingencies

Freemasons Foundation Victoria Limited as Trustee for Freemasons Benevolent Fund has entered into Funding Agreements with certain grantees. In accordance with the agreements certain conditions are required to be met before the next instalment is paid. The funding commitments pursuant to these agreements are as follows:

within 12 months	214,200	295,200
1-5 years	182,000	306,200
	<u>396,200</u>	<u>601,400</u>

Freemasons Benevolent Fund

Notes to the Financial Statements

For the Year Ended 30 June 2022

11 Related Parties

The Directors of the Trustee Company act in an honorary capacity and have not received any remuneration for services. The Trust reimbursed Directors out-of-pocket expenses totalling \$6,180 (2021 \$1,626) whilst on official business.

A grant may be made to an organisation in the community that may be a related party by virtue of common Directors. Such grants are subject to specific and additional policies and procedures so as to mitigate risk of a conflict of interest.

12 Financial Risk Management

The Trust's financial instruments consist mainly of deposits with banks, financial assets measured at fair value through other comprehensive income (FVOCI), accounts receivable and payable. The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are disclosed in the statement of financial position and in the notes to the financial statements.

The Directors of Freemasons Foundation Victoria Limited have overall responsibility for the establishment of Freemasons Benevolent Fund's financial risk management framework including investment policy. The directors monitor the proportion of equity securities in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Directors. The primary goal of the Trust's investment strategy is to maximise investment returns whilst preserving capital and management is assisted by external advisers in this regard. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Freemasons Benevolent Fund's activities.

13 Reserves

(a) Original endowment

Original endowment relates to the original endowment on inception of the Trust.

(b) Capital account

Capital account relates to donations received since inception of the Trust.

(c) Capital preservation reserve

Capital preservation reserve relates to amounts transferred from accumulated income to compensate for the effect of inflation on the capital account.

(d) Financial asset revaluation reserve

Asset revaluation reserve relates to the fair value adjustments of financial assets measured at fair value through comprehensive income.

(e) Finance asset realisation reserve

Finance asset realisation reserve relates to the accumulated realised gains/losses of financial assets measured at fair value through comprehensive income.

Freemasons Benevolent Fund

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

14 Auditors' Remuneration

	2022	2021
	\$	\$
Auditing the financial statements	<u>11,350</u>	<u>10,850</u>

15 Events after the end of the Reporting Period

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

16 Statutory Information

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

Freemasons Benevolent Fund
Level 1, 288 Victoria Parade
East Melbourne

Freemasons Benevolent Fund

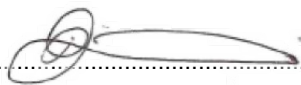
Responsible Persons' Declaration

The Directors of Freemasons Foundation Victoria Limited acting in the capacity as Trustee Company of Freemasons Benevolent Fund are responsible persons and declare that in the responsible persons' opinion:

1. The financial statements and notes, as set out on pages 4 to 15, are in accordance with the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* including:
 - (a) giving a true and fair view in all material respects of the financial position of Freemasons Benevolent Fund as at 30 June 2022 and of the performance for the year ended on that date, and
 - (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profit Commission Regulations 2013*; and
2. There are reasonable grounds to believe that the Trust is 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 Board of Directors and signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Chairman:



Rodney Lavin J.P.

Dated 11 October 2022

Freemasons Benevolent Fund

Independent Audit Report to the members of Freemasons Benevolent Fund

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Freemasons Benevolent Fund (the Trust), which comprises the statement of financial position as at 30 June 2022, the statement of 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 responsible persons' declaration.

In our opinion, the accompanying financial report of Freemasons Benevolent Fund 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 2022 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements 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 *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's 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.

Other Information

The Directors are responsible for the other information. The other information comprises the directors' report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Responsible Persons

The Directors of the Trust Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the Directors determine is necessary to enable the preparation of the 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 related 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 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 Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' 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.
- 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 Directors 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.



ACCRU MELBOURNE (AUDIT) PTY LTD



G DWINNETT
Director

11 October 2022