

The Order of Australia Association Foundation

ABN 89 109 314 142

Annual Report for the Year Ended - 30 June 2023

The Order of Australia Association Foundation

Contents

30 June 2023

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The Order of Australia Association Foundation

Trustees' report

30 June 2023

The directors of The Order of Australia Association Foundation Ltd ("the Trustee Company") as Trustee of The Order of Australia Association Foundation ("the Foundation") present this report together with the financial statements of the Foundation for the year ended 30 June 2023 and the auditor's report herein.

Principal activity

The Foundation was formed on 29 April 1999 pursuant to a Deed of Trust settled by five founders, being former Presidents of the Association, namely Rt Hon Sir Zelman Cowen PC, AK, GCMG, GCVO, KStJ; The Hon Sir Charles Court AK, KCMG, OBE; Sir Eric Neal AC, CVO; Sir James Gobbo AC; and General Sir Phillip Bennett AC, KBE, DSO, KStJ; who were desirous to establish a Foundation via a Public Trust Fund.

The Foundation is confirmed as a Deductible Gift Recipient under Item 2 of Section 30-15 of the Income Tax Assessment Act 1997.

The Trustee Company was incorporated as a Company limited by guarantee on 16 September 2003, and on behalf of the Trustee Company, the directors present the Annual Accounts of the Foundation for the year ended 30 June 2023.

At the date of this report, the directors of the Trustee Company are as follows:

- Helen Nugent AC (Chairman - appointed 8 August 2022)
- Paul L Wheelton AM KSJ (appointed as Secretary, 9 January 2023)
- Leo E Tutt AM (Treasurer)
- John Atkins AO
- Peter Benson AM
- Bonita L Boezeman AO DSG
- Dina L Browne AO
- Vedran Drakulic OAM KSJ
- Hugh M Morgan AC
- Barry N Nunn AO
- Nicholas T Paspaley AC
- N Ross Adler AC (resigned 13 October 2023)
- Robert G Gerard AO (resigned 14 September 2022)
- Elaine M Murphy AM (resigned 1 February 2023)

The principal activity of the Foundation during the year to 30 June 2023 was the giving of grants to universities for awards of The Order of Australia Association Foundation Prize, and the fundraising efforts to enable sponsorship and payment of such grants.

Revenue

Total revenue for the year was \$299,299 (2022: \$1,137,355) of which \$26,718 (2022: \$12,849) was represented by interest income.

Donations Received

Donations received during the year totalled \$185,567 (2022: \$1,067,333) of which \$45,000 (2022: \$1,000,000) represented donations from prize donors.

Donations received towards our General Fund for the year were \$50,567 (2022: \$67,333), kindly donated by members of the Association.

The Order of Australia Association Foundation

Trustees' report

30 June 2023

Some Association members contribute to their pledges of giving donations over five years to become a Member of a particular category of the Foundation. We thank them for their ongoing commitment.

The Foundation expresses its deep appreciation to all General Fund donors who helped to build the corpus of the fund during 2023.

Branches and regional groups of the Association are warmly encouraged to hold social functions in support of donations to our General Fund.

The need to expand the corpus of the Foundation to a base of \$5 million remains paramount, so that it can fund scholarships and other projects befitting the aims of the Foundation.

Net Surplus

The net surplus of the Foundation for the year ended 30 June 2023 was \$84,211 (2022: surplus of \$1,050,475).

Investments

The share investment portfolio held by the Foundation at 30 June 2023, at market value, was \$2,772,434 (2022: \$2,375,467).

Acknowledgements

The Directors thank Hugh Morgan AC for his distinguished service as chairman until 7 August 2022. Hugh continues to serve on the Board.

The Directors also extend their heartfelt thanks to Mr Ross Adler AC, Mr Robert Gerard AO, and Dr Elaine Murphy AM, who resigned during the year. The contributions of Mr Paul Wheelton AM KSJ and Mr Nicholas Paspaley AC, in supporting the scholarship program, is acknowledged, as is the contributions of the McCusker Charitable Foundation, the Goodeve Foundation, along with the Order of Australia Association, and the WA Branch of the Order of Australia Association.

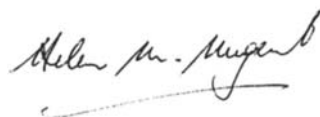
Auditors

In October 2012, Deloitte Touche Tohmatsu kindly agreed to be appointed our auditors, and their services and advice has been invaluable. The Trustee thanks them once more for their generous honorary services for the current year.

Subsequent Events

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Foundation, to affect significantly the operations of the Foundation, the results of those operations, or the state of affairs of the Foundation, in future financial years.

Signed on behalf of the Trustee



Helen Nugent AC
Chairman of Directors



Leo E Tutt AM
Treasurer and Director

13 December 2023

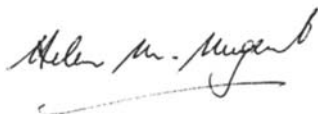
**The Order of Australia Association Foundation
Trustees' declaration
30 June 2023**

The Directors of the Trustee company declare that:


- the attached financial statements and notes thereto comply with Australian Accounting Standards - Simplified Disclosures;
- the attached financial statements and notes give a true and fair view of the foundation's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and
- in the Trustee's opinion there are reasonable grounds to believe that the trust will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors of the Trustee company.

On behalf of the Directors:



Helen Nugent AC
Chairman of Directors



Leo E Tutt AM
Treasurer and Director

13 December 2023

The Order of Australia Association Foundation
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2023

| | Note | 2023 \$ | 2022 \$ |
|---|-------------|--------------------------|--------------------------|
| Revenue | 3 | 272,581 | 1,124,506 |
| Interest revenue | | 26,718 | 12,849 |
| Expenses | | | |
| National Office Expenses | | (22,107) | (18,079) |
| Award Launch Expenses | | (4,811) | (4,221) |
| Bank Charges | | (23,192) | (19,850) |
| Rent | | (4,978) | (4,730) |
| Operating surplus | | 244,211 | 1,090,475 |
| Scholarships Awarded | | (160,000) | (40,000) |
| Surplus before income tax expense | | 84,211 | 1,050,475 |
| Income tax expense | | - | - |
| Surplus after income tax expense for the year attributable to the members of The Order of Australia Association Foundation | 11 | 84,211 | 1,050,475 |
| Other comprehensive (loss)/income | | | |
| <i>Items that will not be reclassified subsequently to profit or loss</i> | | | |
| (Loss)/gain on the revaluation of equity instruments at fair value through other comprehensive income, net of tax | | 292,586 | (252,002) |
| Other comprehensive (loss)/income for the year, net of tax | | 292,586 | (252,002) |
| Total comprehensive income for the year attributable to the members of The Order of Australia Association Foundation | | <u>376,797</u> | <u>798,473</u> |

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

The Order of Australia Association Foundation
Statement of financial position
As at 30 June 2023

| | Note | 2023 \$ | 2022 \$ |
|--------------------------------|------|------------------|------------------|
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 4 | 293,450 | 284,897 |
| Trade and other receivables | 5 | 63,981 | 32,835 |
| Total current assets | | <u>357,431</u> | <u>317,732</u> |
| Non-current assets | | | |
| Share Portfolio at Fair Value | 6 | 2,772,434 | 2,375,467 |
| Total non-current assets | | <u>2,772,434</u> | <u>2,375,467</u> |
| Total assets | | <u>3,129,865</u> | <u>2,693,199</u> |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | 7 | 6,995 | 7,126 |
| Provisions | 8 | 130,000 | 90,000 |
| Total current liabilities | | <u>136,995</u> | <u>97,126</u> |
| Non-current liabilities | | | |
| Provisions | 9 | 40,000 | 20,000 |
| Total non-current liabilities | | <u>40,000</u> | <u>20,000</u> |
| Total liabilities | | <u>176,995</u> | <u>117,126</u> |
| Net assets | | <u>2,952,870</u> | <u>2,576,073</u> |
| Equity | | | |
| Investment Valuation Reserve | 10 | 324,378 | 31,792 |
| Accumulated Members Funds | 11 | 2,628,492 | 2,544,281 |
| Total equity | | <u>2,952,870</u> | <u>2,576,073</u> |

The above statement of financial position should be read in conjunction with the accompanying notes

The Order of Australia Association Foundation
Statement of changes in equity
For the year ended 30 June 2023

| | Reserves \$ | Retained profits \$ | Total equity \$ |
|---|-----------------------|-----------------------------------|---------------------------|
| Balance at 1 July 2021 | 283,794 | 1,493,806 | 1,777,600 |
| Surplus after income tax expense for the year | - | 1,050,475 | 1,050,475 |
| Other comprehensive loss for the year, net of tax | (252,002) | - | (252,002) |
| Total comprehensive (loss)/income for the year | (252,002) | 1,050,475 | 798,473 |
| Balance at 30 June 2022 | <u>31,792</u> | <u>2,544,281</u> | <u>2,576,073</u> |

| | Reserves \$ | Retained profits \$ | Total equity \$ |
|---|-----------------------|-----------------------------------|---------------------------|
| Balance at 1 July 2022 | 31,792 | 2,544,281 | 2,576,073 |
| Surplus after income tax expense for the year | - | 84,211 | 84,211 |
| Other comprehensive income for the year, net of tax | 292,586 | - | 292,586 |
| Total comprehensive income for the year | 292,586 | 84,211 | 376,797 |
| Balance at 30 June 2023 | <u>324,378</u> | <u>2,628,492</u> | <u>2,952,870</u> |

The above statement of changes in equity should be read in conjunction with the accompanying notes

The Order of Australia Association Foundation
Statement of cash flows
For the year ended 30 June 2023

| | Note | 2023 | 2022 |
|--|-------------|-----------------------|-----------------------|
| | | \$ | \$ |
| Cash flows from operating activities | | | |
| Receipts from customers (inclusive of GST) | | 185,567 | 1,067,333 |
| Payments to suppliers (inclusive of GST) | | (58,628) | (39,505) |
| Grants paid to universities for prizes | | (100,000) | (50,000) |
| | | <u> </u> | <u> </u> |
| Net cash from operating activities | 16 | <u>26,939</u> | <u>977,828</u> |
| Cash flows from investing activities | | | |
| Interest, distributions & dividends received | | 77,826 | 67,583 |
| Purchase of shares | | (116,464) | (943,890) |
| Proceeds from sale/(buyback) of shares | | 20,252 | 55,563 |
| | | <u> </u> | <u> </u> |
| Net cash used in investing activities | | <u>(18,386)</u> | <u>(820,744)</u> |
| | | <u> </u> | <u> </u> |
| Net cash from financing activities | | <u>-</u> | <u>-</u> |
| | | <u> </u> | <u> </u> |
| Net increase in cash and cash equivalents | | 8,553 | 157,084 |
| Cash and cash equivalents at the beginning of the financial year | | <u>284,897</u> | <u>127,813</u> |
| | | <u> </u> | <u> </u> |
| Cash and cash equivalents at the end of the financial year | 4 | <u><u>293,450</u></u> | <u><u>284,897</u></u> |

The above statement of cash flows should be read in conjunction with the accompanying notes

The Order of Australia Association Foundation
Notes to the financial statements
30 June 2023

Note 1. Significant accounting policies

General information

The Order of Australia Association Foundation (the Foundation) is a public trust fund established by a Deed of Trust. The Trustee Company of the Foundation is The Order of Australia Association Foundation Ltd.

The address of its registered office and principal place of business is: Old Parliament House, King George Terrace, Parkes ACT 2600.

The entity's principal activities are to give grants to universities for awards of The Order of Australia Association Foundation Prize, and engage in fundraising efforts to enable sponsorship and payment of such grants.

The financial statements were authorised for issue on 13 December 2023.

New or amended Accounting Standards and Interpretations adopted

The foundation has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the foundation.

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB'), the Australian Charities and Not-for-profits Commission Act 2012 and New South Wales legislation the Associations Incorporation Act 2009, the Charitable Fundraising Act 1991 and associated regulations, as appropriate for not-for profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires the exercise of judgement in the process of applying the foundation's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Note 1. Significant accounting policies (continued)

Impairment of financial assets

The entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

Revenue recognition

The foundation recognises revenue as follows:

Donations

Donations received in the current financial year have been recognised upon the receipt of the donation.

Income tax

No taxation is provided against the surplus derived for the year as the Foundation is an Exempt Charitable Entity under Item 1.1 in Subdivision 50-5 of the Income Tax Assessment Act 1997.

Cash and cash equivalents

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.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The foundation has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the foundation has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Note 1. Significant accounting policies (continued)

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the foundation intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets

The foundation recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the foundation's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Trade and other payables

These amounts represent liabilities for goods and services provided to the foundation prior to the end of the financial year and which are unpaid. Due to their short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Provisions

Provisions are recognised when the foundation has a present (legal or constructive) obligation as a result of a past event, it is probable the foundation will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

The Order of Australia Association Foundation
Notes to the financial statements
30 June 2023

Note 1. Significant accounting policies (continued)

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

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

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires judgements, estimates and assumptions to be made that affect the reported amounts in the financial statements. Judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses are required to be continually evaluated. Judgements, estimates and assumptions are based on historical experience and other various factors including expectations of future events that are believed to be reasonable under the circumstances. There are no critical accounting judgements, estimates and assumptions that are likely to affect the current or future financial years.

Note 3. Revenue

| | 2023 | 2022 |
|--------------------------------------|----------------|------------------|
| | \$ | \$ |
| Donations received | 185,567 | 1,067,333 |
| Unfranked dividends | 5,088 | 4,204 |
| Franking credits | 20,378 | 15,188 |
| Profit/(loss) on sale of investments | 10,254 | 2,439 |
| Franked dividends | 47,548 | 33,675 |
| Trust distributions received | 3,746 | 1,667 |
| | <u>272,581</u> | <u>1,124,506</u> |
| Revenue | <u>272,581</u> | <u>1,124,506</u> |

Note 4. Current assets - cash and cash equivalents

| | 2023 | 2022 |
|-------------------------------|----------------|----------------|
| | \$ | \$ |
| OAAF Gift Account | 50 | 6,830 |
| Order of Australia Foundation | 105,211 | 28,444 |
| JBWere Cash Account | 188,065 | 249,499 |
| Petty Cash | 124 | 124 |
| | <u>293,450</u> | <u>284,897</u> |
| | <u>293,450</u> | <u>284,897</u> |

Note 5. Current assets - trade and other receivables

| | 2023 | 2022 |
|-----------------------------|---------------|---------------|
| | \$ | \$ |
| GST | 9,981 | 4,487 |
| Franking Credits Receivable | 36,368 | 15,188 |
| Sundry Accounts Receivable | 17,632 | 13,160 |
| | <u>63,981</u> | <u>32,835</u> |
| | <u>63,981</u> | <u>32,835</u> |

The Order of Australia Association Foundation
Notes to the financial statements
30 June 2023

Note 6. Non-current assets - Share Portfolio at Fair Value

| | 2023 | 2022 |
|-------------------------------|------------------|------------------|
| | \$ | \$ |
| Share portfolio at fair value | <u>2,772,434</u> | <u>2,375,467</u> |

Reconciliation

Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

| | | |
|------------------|------------------|------------------|
| Opening balance | 2,375,467 | 1,753,321 |
| Shares purchased | 116,464 | 943,890 |
| Shares disposed | (12,083) | (69,742) |
| Revaluation | <u>292,586</u> | <u>(252,002)</u> |
| Closing balance | <u>2,772,434</u> | <u>2,375,467</u> |

Note 7. Current liabilities - trade and other payables

| | 2023 | 2022 |
|-------------------------|--------------|--------------|
| | \$ | \$ |
| Sundry Accounts Payable | <u>6,995</u> | <u>7,126</u> |

Note 8. Current liabilities - provisions

| | 2023 | 2022 |
|--------------------------------|----------------|---------------|
| | \$ | \$ |
| Provision for Future Bursaries | <u>130,000</u> | <u>90,000</u> |

Note 9. Non-current liabilities - provisions

| | 2023 | 2022 |
|--------------------------------|---------------|---------------|
| | \$ | \$ |
| Provision for Future Bursaries | <u>40,000</u> | <u>20,000</u> |

Note 10. Equity - Investment Valuation Reserve

| | 2023 | 2022 |
|--------------------------------|----------------|---------------|
| | \$ | \$ |
| Investment Revaluation Reserve | <u>324,378</u> | <u>31,792</u> |

Note 11. Equity - Accumulated Members Funds

| | 2023 | 2022 |
|---|------------------|------------------|
| | \$ | \$ |
| Retained surpluses at the beginning of the financial year | 2,544,281 | 1,493,806 |
| Surplus after income tax expense for the year | <u>84,211</u> | <u>1,050,475</u> |
| Retained surpluses at the end of the financial year | <u>2,628,492</u> | <u>2,544,281</u> |

The Order of Australia Association Foundation
Notes to the financial statements
30 June 2023

Note 12. Key personnel disclosures

Compensation

No compensation is made to officers and other personnel of the foundation during the year (2022: nil).

Note 13. Contingent liabilities

The foundation has no contingent liabilities as at 30 June 2023 (2022: Nil)

Note 14. Commitments

The foundation had no commitments for expenditure as at 30 June 2023 (2022: Nil).

Note 15. Related party transactions

Key personnel

Disclosures relating to key personnel are set out in note 12.

Transactions with related parties

In the current financial year, donation contributions of \$45,000 (2022: \$1,000,000) were received from directors.

Leo Tutt AM is a Director of William Buck (NSW) Pty Ltd who were paid \$15,600 (2022: \$12,000) for accounting services on normal commercial terms and conditions as approved by the Board.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Note 16. Reconciliation of profit after income tax to net cash from operating activities

| | 2023 | 2022 |
|---|---------------|----------------|
| | \$ | \$ |
| Profit/(loss) after income tax expense for the year | 84,211 | 1,050,475 |
| Net (profit)/loss on sale of investments | (10,254) | (2,439) |
| Net finance income, dividends, and distributions | (101,393) | (67,583) |
| (Increase)/decrease in trade and other Payables | (131) | 4,461 |
| (Increase)/decrease in trade and other receivables | (5,494) | 2,914 |
| Increase/(decrease) in provisions | 60,000 | (10,000) |
| Net Inflow from operating activities | <u>26,939</u> | <u>977,828</u> |

Note 17. Audit Remuneration

Deloitte Touche Tohmatsu provides the audit services to the foundation on a probono basis.

Independent Auditor's Report to the members of The Order of Australia Association Foundation

Report on the Audit of the Financial Report

We have audited the financial report of The Order of Australia Association Foundation (the "Foundation") which comprises the statement of financial position as at 30 June 2023, 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 other explanatory information, and the Trustee report.

In our opinion, the accompanying financial report of the Foundation is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (the "ACNC Act"), including:

- (i) giving a true and fair view of the Foundation's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Simplified Disclosures 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 Foundation in accordance with the auditor independence requirements of the ACNC Act and the ethical requirements of the Accounting Professional & 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.

Other Information

The Trustee is responsible for the other information. The other information comprises the Trustee's Report for the year ended 30 June 2023, 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 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, 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 the Trustee for the Financial Report

The Trustee of the Foundation is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the ACNC Act and for such internal control as the Trustee 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 Trustee is responsible for assessing the ability of the Foundation 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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 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.



DELOITTE TOUCHE TOHMATSU



Luyen Duong
Partner
Chartered Accountants
Melbourne, 13 December 2023

The Board of Directors
The Order of Australia Association Foundation Limited
Old Parliament House
18 King George Terrace
PARKES ACT 2600

13 December 2023

Dear Board Members

Auditor's Independence Declaration to Trustee of The Order of Australia Association Foundation Limited

In accordance with Subdivision 60-C of the Australian Charities and Not-for-profits Commission Act 2012, I am pleased to provide the following declaration of independence to the directors of The Order of Australia Association Foundation Limited (the "Trustee").

As lead audit partner for the audit of the financial statements of The Order of Australia Association Foundation Limited for the year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

1. the auditor independence requirements of the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
2. any applicable code of professional conduct in relation to the audit.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



Luyen Duong
Partner
Chartered Accountant