



# **Apex Foundation**

**ABN 58 001 347 897**

## **Financial Statements - 30 June 2021**

**Apex Foundation**  
**Contents**  
**30 June 2021**



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Your Directors have pleasure in presenting their report on Apex Foundation for the year ended June 30th 2021.

### **Directors**

The name of each person who has been a Director of the Foundation at any time during or since the end of the year and the period for which the person was a Director are:

Anthony John Wilshire	
Jamie Darren Vincent	
Brian William Powe	
Peter Michael Fitze	
Stephen Linneo Bigarelli	Resigned March 31 <sup>st</sup> 2021
Lindsay Murray Carthew	
John Charles King	
Graham Martin Cassidy	
Bethany Paterson*	Appointed July 18 <sup>th</sup> 2020 and resigned August 21 <sup>st</sup> 2021
Michael Godfrey*	Resigned July 18 <sup>th</sup> 2020
Neal Benjamin Molineaux	Appointed March 31 <sup>st</sup> 2021
Adam Stewart*	Appointed August 21 <sup>st</sup> 2021
David Maxwell Cotton	Appointed August 21 <sup>st</sup> 2021

\* Denotes Apex Association nominated Director.

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

### **Objectives and strategies**

The Apex Foundation strives to improve the quality of life of Australians who have special needs, by being the sole trustee of various trusts that work towards this goal.

This being the principal objective, the following are the ancillary objectives.

Act as the sole trustee for the following operational trusts:

- Apex Foundation Charitable Trust
- The Trustee for Apex Underprivileged Children's Trust
- The Trustee for Apex Foundation Community Fund
- The Apex Foundation Association of Civilian Widows – New South Wales Trust
- Civilian Widows of Queensland Foundation Trust
- Association of Civilian Widows Trust of Western Australia
- Apex Fine Arts Scholarship Trust
- Apex Australia Reserve Trusts (Five trusts)
- Apex Northern & Southern Clubs Trusts (Two trusts with six Apex Clubs participating)

The main responsibilities within this ancillary objective are to ensure that, at all times, the trusts comply with the various applicable laws and regulations, and to optimise their corpuses. The strategies follow.

- Manage the invested trust funds raised by Apexians and other like-minded organisations in order to perpetuate the benefits of those funds. The main responsibilities within this ancillary objective are strategies that control and continually monitor the performance of an investment portfolio in order to achieve prudential short and long term returns.

The Foundation's strategy is to engage the services of an independent investment advisory entity. This role is undertaken by Shaw and Partners. Measurement of performance is the return from managed investments as a percentage of opening corpus. In the 2020/2021 year, a return of 16.69% was achieved (previous year -5.60%). The strategic planned return in both years was 5.00%.

- Encourage Donations and Bequests to the Foundation in either monetary or in-kind. Apart from donations that are shown in the financial statements, the Directors wish to acknowledge and thank the many supporters of the Apex Underprivileged Childrens Trust, being primarily Apex Clubs, individual Apexians, and management committee members for their efforts in control and maintenance of the trust's facilities. Also, the Directors' acknowledge and thank AON Insurance for the gratis provision of office space and related services, and Shaw and Partners for gratis support. The commercial value of these donations of goods and services is greatly appreciated.
- Manage the maintenance of, and occupancy of, the Underprivileged Childrens Trust's facilities in order to perpetuate the benefits of those facilities to the occupants. The Underprivileged Childrens Trust's facilities comprise the (properties of) the Chalet at Smiggin Holes in New South Wales, the Shoalhaven Heads Apex Cottages for Kids (The Shack) at Shoalhaven Heads on the south coast of New South Wales, and a four-cabin retreat complex in the North Beach Tourist Park on the Copper Coast at Wallaroo on South Australia's Yorke Peninsula. The main responsibilities within this ancillary objective are strategies that maintain responsible volunteer management committees. Performance is measured as the difference between the charitable rate revenue and its extrapolated market value, which is deemed to be notional grants made.
- Make grant distributions out of appropriate trusts to beneficiaries in accordance with the rules of those trusts and with the rules of the Australian Charities and Not-For-Profits Commission. The Foundation then ensures the effective utilisation of these distributions by grant recipients. The grants made are shown hereunder. There were no significant changes in the nature of this Foundation grant-making activity during the year. For the charitable trusts, performance is measured by grants made as a percentage of opening corpus. Strategies are different for each individual trust. Ancillary trusts are measured against legislated percentages.

#### THE YEARS IN SUMMARY

	2021 \$	2020 \$
Opening balance of trusts	8,817,983	9,446,934
Distributed surpluses (deficits)	1,145,869	(381,625)
Trust fund deposits	57,400	48,547
Trust fund withdrawals	(5,000)	(158,466)
Grants made	(73,302)	(137,407)
Revaluation surplus	601,349	-
	<u>10,544,299</u>	<u>8,817,983</u>
Closing balance of trusts		

#### Principal activities

During the financial year Apex Foundation acted as the sole trustee for various trusts as outlined under objectives and strategies above.

#### Information on directors

Note that the special responsibilities of the Director are those that exist at June 30th 2021.

Name:	Anthony John Wilshire
Title:	Chairman
Qualifications:	Retired Banker of 43 years
Experience and expertise:	Life Member of Apex 1993 Honorary Life Member of Apex Foundation Board member since 1998
Special responsibilities:	Member of the Executive Committee Member of the Board Audit Risk Committee (BARC) Director for the Civilian Widows of Queensland Foundation Trust Director for the Association of Civilian Widows Trust of Western Australia Ex Officio member of all committees

Name: Jamie Darren Vincent  
Title: Vice Chairman  
Qualifications: Certificate III in Disabilities  
Experience and expertise: Apex National Membership Director, Apexian for 28 years  
Life Member of Blacktown Apex Club  
Special responsibilities: Director for the Underprivileged Children's Trust's Chalet account  
Member of the Marketing and Membership Committee  
Director for the Apex Foundation Charitable Trust's Autism Account  
Member of Board Audit and Risk Committee (BARC)

Name: Peter Michael Fitze  
Title: Company Secretary  
Qualifications: BA (Social Science), RN (Retired), JP  
Experience and expertise: Apexian for 11 years (retired), Honorary Life Member of Apex Foundation  
Board member since 1988  
Special responsibilities: Director for the Apex Foundation Community Trust  
Director for Administration and Staffing  
Director for elections  
Member of the Executive Committee  
Member of the Board Audit Risk Committee (BARC)  
Member of the Corporate Governance Committee

Name: Lindsay Murray Carthew  
Title: Director  
Qualifications: BEc, MBA  
Experience and expertise: Apexian Unley Apex Club 1983 to 1994 (President 1987-1988)  
District Governor Adelaide 1990-1991  
Apex Foundation Board Member 1991-1992 (Chairman 1993-1994)  
Special responsibilities: Director for the Apex Foundation Charitable Trust's Cranio-Facial Account  
Director for the Underprivileged Children's Trust Copper Coast Account  
Member of the Board Audit Risk Committee (BARC)  
Member of the Finance Committee  
Member of the Marketing and Membership Committee  
Chairman of the Investments Committee

Name: Brian William Powe  
Title: Director  
Qualifications: FCPA (Retired)  
Experience and expertise: Apexian 14 years (Retired) Life Member of Apex 1988  
Board Member since 2010  
Apex National Treasurer 1986-1987  
Special responsibilities: Chairman 2018-2019  
Director for the Underprivileged Childrens Trust's Shack Account  
Chairman of Board Audit Risk Committee (BARC)  
Chairman of the Finance Committee  
Member of Investment Committee  
Member of Corporate Governance Committee

Name: John Charles King  
Title: Appointed Director  
Qualifications: BA LLB (Hons II) University of Sydney  
LLM University of London, School of Economics & Political Science  
Experience and expertise: Practising Solicitor & Consultant over 43 years  
Special responsibilities: Chairman of Corporate Governance Committee

Name: Graham Martin Cassidy  
 Title: Director  
 Qualifications: Header of Broker Network  
 ANZIIF(Fellow)CIP  
 Dip Financial Services (Insurance Broking)  
 Experience and expertise: Life Member of Hills District Apex Club  
 Special responsibilities: Chairman of the Marketing and Membership Committee  
 Member of the Finance Committee  
 Director for the Apex Foundation Charitable Trust's Children's Cancer Account,  
 Diabetes Account, Melanoma Account and NSW Civilian Widows

Name: Neal Benjamin Molineaux  
 Title: Director  
 Qualifications: Certificate IV Building Studies  
 Experience and expertise: Apexian for 24 years  
 Apex Australia National President 2018-2019  
 Apex Australia National Board 2014-2021  
 Board Member since 31st March 2021  
 Special responsibilities: Member of Marketing and Membership Committee

Name: Bethany Paterson  
 Title: Apex Australia Association Director (Appointed July 18th 2020 and resigned August 21st 2021)  
 Qualifications: Clinical Psychologist  
 Experience and expertise: Apexian for 10 years  
 Apex Australia National President 2020-2021  
 Special responsibilities: Mental Health Initiative

### Meetings of directors

The number of meetings of the Apex Foundation's Board of Directors ('the Board') held during the year ended 30 June 2021, and the number of meetings attended by each director were:

	Full Board	
	Attended	Held
Anthony John Wilshire	5	5
Jamie Darren Vincent	5	5
Peter Michael Fitze	5	5
Stephen Linneo Bigarelli	3	4
Lindsay Murray Carthew	4	5
Brian William Powe	5	5
John Charles King	5	5
Graham Martin Cassidy	4	5
Michael Godfrey	1	1
Bethany Paterson	5	5
Neal Benjamin Molineaux	2	2

Held: represents the number of meetings held during the time the director held office.

During the year, five meetings of the Directors were held. These were on 18/ 07/2020 zoom, on 10/ 11/ 2020 zoom, on 20/ 11/ 2020 zoom, on 26/ 03/ 2021 and on 15/ 06/ 2021, zoom.

### Contributions on winding up

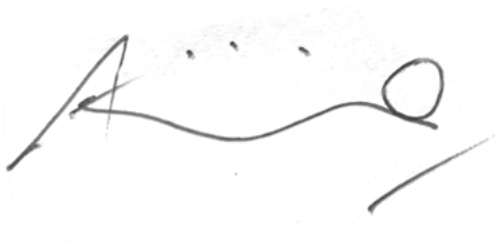
The Foundation is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the Foundation is wound up, its constitution states that each member is required to contribute a maximum of \$50 towards meeting any outstanding obligations of the Foundation. At June 30th 2021, the total amount that members of the company are liable to contribute if the company is wound up is \$13,500 there being 270 members (2020 \$9,950 with 199 members).

**Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 and Division 60 of the Australian Charities and Not-for-profits Commission Act 2012 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



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Anthony John Wilshire  
Director

3 November 2021



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Brian William Powe  
Director



#### LBW & Partners

Chartered Accountants & Business Advisors  
ABN 80 618 803443

#### Office

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#### Partners

Elias Y Bader

Rupa Dharmasiri

George P Rochios

Mark W Willock

#### Apex Foundation

ABN: 58 001 347 897

## Auditor's Independence Declaration to the Directors of Apex Foundation

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021, there have been:

- (i) no contraventions of the auditor independence requirements as set out in Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Rupaninga Dharmasiri  
Partner

LBW & Partners  
Chartered Accountants  
Level 3, 845 Pacific Highway  
CHATSWOOD NSW 2067

Date : 2 November 2021



**Apex Foundation**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2021**



	2021 \$	2020 \$
<b>Revenue of the Foundation generated on behalf of the trusts</b>		
Dividends & distributions	98,186	117,055
Interest	91,725	105,833
Imputation credits	42,943	44,402
(Loss)/gain on financial assets at fair value through profit or loss	898,063	(693,680)
(Loss)/income from managed investments distributed to all trusts	<u>1,130,917</u>	<u>(426,390)</u>
Non-preserved donations - Charitable trust	-	2,565
Non-preserved donations - Underprivileged childrens trust	140,483	229,878
Non-preserved donations and membership fees - Apex Foundation Community Fund	15,237	13,229
Non-preserved donations - Fine arts trust	-	50
Facility hiring fees - Underprivileged childrens trust	65,678	38,998
Other income	41,789	23,187
Donations and other income distributed to specific trusts	<u>263,187</u>	<u>307,907</u>
Total revenue	<u>1,394,104</u>	<u>(118,483)</u>
<b>Expenses distributed to all trusts</b>		
Compliance and other financial	-	(12,119)
Audit and accounting	(52,302)	(38,276)
Office & systems	(5,287)	(15,662)
Staffing	(29,257)	(28,970)
Board meetings	(2,839)	(14,508)
Insurances	(32,191)	(18,954)
Marketing	-	(455)
Bank charges and sundries	<u>(366)</u>	<u>(481)</u>
<b>Operating surplus/(deficit)</b>	<b>1,271,862</b>	<b>(247,908)</b>
To Underprivileged Childrens Trust - Staffing costs	(20,274)	(18,850)
To Underprivileged Childrens Trust - Depreciation	(50,245)	(43,600)
To Underprivileged Childrens Trust - Operating	(55,474)	(71,266)
Net deficit (surplus) allocated to trusts	<u>(1,145,869)</u>	<u>381,624</u>
<b>Surplus before income tax expense</b>	<b>-</b>	<b>-</b>
Income tax expense	<u>-</u>	<u>-</u>
<b>Surplus after income tax expense for the year attributable to the members of Apex Foundation</b>	<b>-</b>	<b>-</b>
<b>Other comprehensive income</b>		
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Gain on the revaluation of land and buildings, net of tax	601,349	-
Revaluation surplus allocated to Underprivileged Childrens Trust - Shack	<u>(601,349)</u>	<u>-</u>
Other comprehensive income for the year, net of tax	<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year attributable to the members of Apex Foundation</b>	<b><u>-</u></b>	<b><u>-</u></b>

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

**Apex Foundation**  
**Statement of financial position**  
**As at 30 June 2021**



	Note	2021 \$	2020 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	1,087,015	444,947
Trade and other receivables	6	62,419	109,384
Financial assets at fair value through profit or loss	7	6,262,493	4,848,873
Other financial assets	8	755,476	1,525,650
Other current assets	9	8,224	6,061
<b>Total current assets</b>		<u>8,175,627</u>	<u>6,934,915</u>
<b>Non-current assets</b>			
Property, plant and equipment	10	2,465,398	1,901,289
Right-of-use assets	11	91,038	12
<b>Total non-current assets</b>		<u>2,556,436</u>	<u>1,901,301</u>
<b>Total assets</b>		<u>10,732,063</u>	<u>8,836,216</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	12	95,012	18,221
Lease liabilities	13	11,743	1
<b>Total current liabilities</b>		<u>106,755</u>	<u>18,222</u>
<b>Non-current liabilities</b>			
Lease liabilities	14	81,009	11
<b>Total non-current liabilities</b>		<u>81,009</u>	<u>11</u>
<b>Total liabilities</b>		<u>187,764</u>	<u>18,233</u>
<b>Net assets controlled by the Foundation on behalf of trusts</b>		<u>10,544,299</u>	<u>8,817,983</u>
<b>Trust funds</b>			
ACNC registered charitable trusts	15	9,040,855	7,521,524
Apex reserve and clubs trusts	16	1,503,444	1,296,459
<b>Total trust funds</b>		<u>10,544,299</u>	<u>8,817,983</u>

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

**Apex Foundation**  
**Statement of changes in equity**  
**For the year ended 30 June 2021**



	<b>Trust funds</b> <b>\$</b>	<b>Total trust funds</b> <b>\$</b>
Balance at 1 July 2019	9,446,934	9,446,934
Surplus after income tax expense for the year	-	-
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	-	-
Distributed surpluses (deficits)	(381,625)	(381,625)
Trust fund deposits	48,547	48,547
Grants made	(137,407)	(137,407)
Trust fund withdrawals	(158,466)	(158,466)
Balance at 30 June 2020	<u>8,817,983</u>	<u>8,817,983</u>
	<b>Trust funds</b> <b>\$</b>	<b>Total trust funds</b> <b>\$</b>
Balance at 1 July 2020	8,817,983	8,817,983
Surplus after income tax expense for the year	-	-
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	-	-
Distributed surpluses	1,145,869	1,145,869
Trust fund deposits	57,400	57,400
Grants made	(73,302)	(73,302)
Trust fund withdrawals	(5,000)	(5,000)
Revaluation surplus	601,349	601,349
Balance at 30 June 2021	<u>10,544,299</u>	<u>10,544,299</u>

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

**Apex Foundation**  
**Statement of cash flows**  
**For the year ended 30 June 2021**



	Note	2021 \$	2020 \$
<b>Cash flows from operating activities</b>			
Dividends received		195,338	117,055
Interest received		91,725	105,833
Other receipts		275,436	365,492
Payments to suppliers and employees		(150,579)	(230,424)
Grants made		(73,302)	(137,407)
		<u>338,618</u>	<u>220,549</u>
Interest and other finance costs paid		(3,567)	-
		<u>335,051</u>	<u>220,549</u>
<b>Cash flows from investing activities</b>			
Proceeds from sale of investments		4,776,928	4,033,462
Payment for purchase of investments		(4,522,311)	(4,116,706)
Fixed asset purchases		-	(6,000)
		<u>254,617</u>	<u>(89,244)</u>
<b>Cash flows from financing activities</b>			
Trust fund deposits		57,400	48,547
Trust fund withdrawals and closures		(5,000)	(158,466)
		<u>52,400</u>	<u>(109,919)</u>
Net increase/(decrease) in cash and cash equivalents		642,068	21,386
Cash and cash equivalents at the beginning of the financial year		444,947	423,561
		<u>1,087,015</u>	<u>444,947</u>
Cash and cash equivalents at the end of the financial year	5	<u><u>1,087,015</u></u>	<u><u>444,947</u></u>

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

## **Note 1. General information**

### I. Apex Foundation and the trusts for which it is sole trustee

Apex Foundation (hereafter called “The Foundation”):

- a. Acts as sole trustee for fourteen (14) legally separate trusts.
- b. Trades on behalf of these trusts, and distributes its net surpluses to these trusts, or recovers its net deficits from these trusts.
- c. Maintains all assets and liabilities on behalf of these trusts.
- d. Holds a member’s guarantee regarding contributions upon wind-up, and also holds a right of indemnity for any liabilities that it may incur on behalf of the trusts for which it acts as sole trustee.

These financial statements are a consolidation of the Foundation’s activities on behalf of the fourteen (14) trusts. The Foundation is a not-for-profit public company incorporated under the Corporations Act 2001 as a company limited by guarantee.

### II. Compliance – Australian Charities & Not-For-Profits Commission

Seven (7) of the fourteen(14) trusts are registered with, and reportable to, the Australian Charities and Not-For-Profits Commission as charitable trusts under the Australian Charities and Not-For-Profits Commission Act 2012. These trusts, with their registered names and Australian Business Numbers are:

- a. Apex Foundation Charitable Trust (ABN 25055756519)
- b. The Trustee for Apex Underprivileged Childrens Trust (ABN 31014983452)
- c. Apex Foundation Community Fund (formerly The Trustee for Apex Necessitous Circumstances Trust) (ABN 12974150769)
- d. The Apex Foundation Association of Civilian Widows - New South Wales Trust (ABN 61301930876)
- e. Civilian Widows of Queensland Foundation Trust (ABN 67109739633)
- f. Association of Civilian Widows Trust of Western Australia (ABN 35800618346)
- g. Apex Fine Arts Scholarship Trust (ABN 24676726821)

### III. Compliance – Public and Private Ancillary Trusts

The Apex Foundation Charitable Trust (a) is a Public Ancillary Trust and it is registered with, and is reportable to, the Australian Taxation Office.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 3 November 2021.

## **Note 2. Significant accounting policies**

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

### **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.

### **Basis of preparation**

The financial statements are prepared on the basis of illustrating the values of the elements that the Foundation controls in its role as sole trustee, less the value of those elements whose ownership is vested in the trusts administered. The effect of this is the Foundation, in its own right, has no net surplus or deficit or net assets.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB') as appropriate for not-for profit oriented entities, the Corporations Act 2001, the Australian Charities and Not-for-profits Commission Act 2012 and associated regulations.

## Note 2. Significant accounting policies (continued)

### *Historical cost convention*

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss and certain classes of property, plant and equipment.

### *Critical accounting estimates*

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Apex 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 3.

### **Revenue recognition**

The Foundation recognises revenue as follows:

#### *Revenue from contracts with customers*

Revenue is recognised at an amount that reflects the consideration to which the Foundation is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Foundation: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

#### *Income from managed investments*

Income from managed investments is received by the Foundation on behalf of the trusts for which it is sole trustee. It is recognised in the Statement of Profit and Loss and Comprehensive Income in accordance with the following parameters:

- a. Dividend revenues are recognised when they are declared.
- b. Related imputation credits are recognised when the dividend to which they are related, are declared.
- c. Interest revenue is recognised as interest accrues using the effective interest method.

#### *Gifts in-kind received*

Gifts of non-capitalised goods and services that are received by the Foundation are not recognised in the Statement of Profit and Loss and Comprehensive Income.

It is noted that AON Insurance have again donated office space for Apex Foundation's office on Level 5, AON Tower, 201 Kent Street, Sydney NSW 2000. This is valued at \$49,350 per annum.

Maintenance and improvement projects at the Underprivileged Childrens Trusts' three facilities that have been carried out in the financial year have not been recognised in the financial statements. The Foundation here notes the continuing tireless efforts of many Apexians and Apex Clubs.

#### *Donations*

When each donation is received, the trust, the purpose, and the timing of use of each donation is usually specified by the donor. If not, the Foundation makes the determination, with the Foundation's Directors resolving that the default is the Apex Foundation Charitable Trust.

Donations are defined as either being "Non-Preserved" or "Preserved". Non-preserved donations are taken to income in the period in which they are received. Preserved donations which are enforceable and contain sufficiently specific performance obligations are credited directly to the appropriate trust account. When either the specified timing of, or the specified expenditure of, each such defined donation occurs, the donation is then taken to income.

#### *Interest*

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

## **Note 2. Significant accounting policies (continued)**

### *Facility hiring fees*

These are the Foundation's receipts on behalf of the Apex Underprivileged Childrens Trust for the hiring of its facilities at Shoalhaven Heads NSW (the Shack), Smiggin Holes NSW (the Chalet), and at Wallaroo SA (the Copper Coast), and are taken to income in the period of the occupancy.

These receipts are not representative of commercial rates and, as such, are GST exempt. This income is deemed to cover only certain expenses. The commercial value of such income is not included in these Financial Statements.

The Apex Underprivileged Childrens Trust's facility at South Australia's "Copper Coast" primarily caters for underprivileged children and their parents and carers. Any revenue associated with this usage of the retreats is taken by The Cancer Council of South Australia, through whom the accommodation reservations are made. The Foundation does not receive this revenue.

When the facility is not occupied by persons as defined above, the facility is available for normal tourist park rental. Consequent receipts are taken to income in the period of receipt, as it is presumed to also be the period of occupancy.

All income received by the three Underprivileged Children's Trust facilities is at a heavily subsidised rate. The difference between the subsidised amounts received and the market value of the provision of the accommodation amounting to \$247,145 for the year ended 30 June 2021 (2020: \$251,500) has not been recorded in the financial statements.

### *Membership fees*

Membership fees are allocated to Apex Foundation Community Fund and the Apex Underprivileged Children's Trust - Mental Health Initiative when received.

### **Expenses**

Initially, all expenses are paid by the Foundation on behalf of the trusts for which it is sole trustee. These expenses are recognised in the Statement of Profit and Loss and Comprehensive Income in two groups:

- a. Expenditure that is not specific to the operations of a specific trust or trusts, but is applicable to all trusts, is defined as being "distributed" to all trusts. This distribution is on a pro-rata based on the ratio that each trust's equity bears to the total of the equity of all trusts.
- b. Expenditure that is specific to a particular trust or trusts, is defined as being "allocated" to that trust or trusts.

### **Income tax**

As the Foundation is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

### **Current and non-current classification**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Foundation's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Foundation's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

### **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 and other receivables are recognised at amortised cost, less any allowance for expected credit losses.

## Note 2. Significant accounting policies (continued)

### 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.

#### *Financial assets at fair value through profit or loss*

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

#### *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.

### Property, plant and equipment

#### I. General

The Foundation carries each class of property, plant and equipment at cost or fair value as indicated, less, where applicable, accumulated depreciation and any impairment losses.

In periods where the freehold land and buildings are not subject to an independent valuation, director's valuations are conducted to ensure the carrying amount for the land and buildings is not materially different to the fair value.

#### II. Freehold Property – The Shack at Shoalhaven Heads NSW

On behalf of the Apex Underprivileged Childrens Trust, the Foundation carries freehold land and buildings of the Shack at Shoalhaven Heads. These land and buildings are shown at their fair value based on periodic valuations by external independent valuers, less subsequent accumulated depreciation for buildings.

The Foundation's directors commissioned a valuation by an independent licensed valuer in July 2021. This resulted in a valuation of \$2,100,000 as at 30 June 2021 which has been recognised in these financial statements.



## **Note 2. Significant accounting policies (continued)**

### **III. Leasehold Property – The Chalet at Smiggin Holes NSW**

On behalf of the Apex Underprivileged Childrens Trust, the Foundation's Chalet facility at Smiggin Holes is held under a lease from the NSW government through their Office of Environment and Heritage. During 2020 financial year the Foundation secured a 15 year lease ending on 30 September 2034 on this property. This lease has been accounted for under AASB 16 at cost.

### **IV. Leasehold Property – The Copper Coast Retreats in Wallaroo SA**

The Apex Underprivileged Childrens Trust's Copper Coast Retreat facility consists of four retreats in the North Beach Tourist Park in Wallaroo South Australia. This tourist park is owned by, and managed under the auspices of, the District Council of the Copper Coast in Kadina South Australia. Each of the four sites is leased from the Council for five years ending on 31 July 2023 with an option to renew for another five years ending on 31 July 2028. This lease has been accounted for under AASB 16 from 1 July 2020. The improvements are carried in the Foundation's statement of financial position at the purchase or construction cost less accumulated depreciation.

### **V. Improvements to Properties**

The treatment of improvements to the properties of the Apex Underprivileged Childrens Trust in the Foundation's accounts are considered on a case-by-case basis. This is due to:

- a) The normal contribution of free labour by Apex Clubs and Apexians to the improvement project.
- b) The question as to whether the improvement project increases the value of the property, or whether the project is deemed to be maintenance.

Where it is resolved to carry an improvement in the Foundation's statement of financial position, it is measured on the cost basis less accumulated depreciation and any accumulated impairment losses.

Where it is resolved to not carry the improvement in the Foundations' statement of financial position, any costs associated with the improvement are expensed in the Foundation's statement of profit and loss.

In the event that the carrying amount of improvements to properties is greater than its estimated recoverable amount, the carrying amount is written down immediately to that estimated recoverable amount, and impairment losses are recognised either in profit or loss or as a devaluation if the impairment losses relate to a revalued asset. A formal assessment of recoverable amounts is made when impairment indicators are present.

### **VI. Plant and Equipment**

Plant and equipment items are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. Plant and equipment items that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired (see Income: Gifts in Kind).

In the event that the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amounts is made when impairment indicators are present.

## Note 2. Significant accounting policies (continued)

### VII. Depreciation

The depreciable amount of all fixed assets, including buildings but excluding freehold land is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable asset are:

Buildings - Shack	40 years
Equipment - Shack	5 - 10 years
Equipment - Copper Coast	3 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

### VIII. Impairment of Properties, Improvements, or Equipment

At the end of each reporting period, the Foundation assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another standard. Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard. Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

#### Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Foundation expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Foundation has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

#### Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

## Note 2. Significant accounting policies (continued)

### 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.

### Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Foundation's incremental borrowing rate.

### Employee benefits

#### *Defined contribution superannuation expense*

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred. The Superannuation Guarantee Levy expense in the 2020/21 year was \$3,131 and in the 2019/20 year was \$2,712.

### 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.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

### 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.

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.

### New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Foundation for the annual reporting period ended 30 June 2021. The Foundation's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Foundation, are set out below.

## Note 2. Significant accounting policies (continued)

### ***AASB 2020-2 Amendments to Australian Accounting Standards - Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities and AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities***

These standards are applicable to annual reporting periods beginning on or after 1 July 2021. AASB 2020-2 will prohibit certain for-profit entities from preparing special purpose financial statements and Reduced Disclosure Requirements (RDR) will be replaced by Simplified Disclosures Regime (SDR). AASB 1060 provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of IFRS for SMEs. Given that the Foundation will be moving to SDR from RDR in 2022 financial year, there is likely to be increased disclosure for some areas and some disclosures will be removed.

## Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

### *Coronavirus (COVID-19) pandemic*

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Foundation based on known information. This consideration extends to the nature of the products and services offered, customers, suppliers, staffing and geographic regions in which the Foundation operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Foundation unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

### *Fair value measurement hierarchy*

The Foundation is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

### *Estimation of useful lives of assets*

The Foundation determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

### *Impairment of property, plant and equipment*

The Foundation assesses impairment of property, plant and equipment at each reporting date by evaluating conditions specific to the Foundation and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

The freehold land and buildings (known as The Shack) were independently valued as at 30 June 2021 by Herron Todd White (NAT Operations) Pty Ltd. The valuation was based on the fair value less costs of disposal. The critical assumptions adopted in determining the valuation included the location of the land and buildings, the demand for land and buildings in the area and sales data for similar properties.

**Note 4. Expenses**

	2021 \$	2020 \$
Surplus before income tax includes the following specific expenses:		
<i>Finance costs</i>		
Interest and finance charges paid/payable on lease liabilities	3,567	-
Depreciation - property, plant and equipment	37,240	43,606
Depreciation - right-of-use asset - Chalet (Smiggin Holes) land and buildings	1	-
Depreciation - right-of-use asset - Copper Coast - cabin sites	13,004	-

**Note 5. Current assets - cash and cash equivalents**

	2021 \$	2020 \$
Operational cash with Westpac	190,788	133,106
Interest bearing cash with investment manager	896,227	311,841
	<u>1,087,015</u>	<u>444,947</u>

**Note 6. Current assets - trade and other receivables**

	2021 \$	2020 \$
Other receivables	-	5,820
Imputation credits receivable	43,580	97,789
GST refunds receivable/(payable)	5,996	(2,148)
Income declared but not paid	12,843	7,923
	<u>62,419</u>	<u>109,384</u>

**Note 7. Current assets - financial assets at fair value through profit or loss**

	2021 \$	2020 \$
Listed securities	5,747,393	4,548,873
Unlisted other investments	515,100	300,000
	<u>6,262,493</u>	<u>4,848,873</u>

**Note 8. Current assets - Other financial assets**

	2021 \$	2020 \$
Term deposits with investment manager	755,476	1,525,650

**Note 9. Current assets - Other current assets**

	2021 \$	2020 \$
Prepayments	<u>8,224</u>	<u>6,061</u>

**Note 10. Non-current assets - property, plant and equipment**

	2021 \$	2020 \$
Freehold land - at valuation - Shack	<u>1,300,000</u>	<u>750,000</u>
Freehold building at valuation - Shack	800,000	850,000
Less: Accumulated depreciation	<u>-</u>	<u>(80,101)</u>
	800,000	769,899
Leasehold building at cost - Chalet	149,000	149,000
Less: Accumulated depreciation	<u>(148,999)</u>	<u>(148,999)</u>
	1	1
Leasehold improvements at cost - Chalet	312,673	312,673
Less: Accumulated depreciation	<u>(312,670)</u>	<u>(312,670)</u>
	3	3
Leasehold buildings & improvements at cost - Copper Coast	432,224	432,224
Less: Accumulated depreciation	<u>(73,952)</u>	<u>(61,047)</u>
	358,272	371,177
Equipment - at cost	166,561	166,561
Less: Accumulated depreciation	<u>(159,439)</u>	<u>(156,352)</u>
	7,122	10,209
	<u>2,465,398</u>	<u>1,901,289</u>

**Reconciliations**

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Freehold Land	Freehold Buildings	Leasehold Buildings	Leasehold Impr. Copper Coast	Leasehold Impr. Chalet	Equipment	Total
	Shack \$	Shack \$	Chalet \$	Coast \$	Chalet \$	\$	\$
Balance at 1 July 2020	750,000	769,899	1	371,177	3	10,209	1,901,289
Revaluation increments	550,000	51,349	-	-	-	-	601,349
Depreciation expense	-	<u>(21,248)</u>	-	<u>(12,905)</u>	-	<u>(3,087)</u>	<u>(37,240)</u>
Balance at 30 June 2021	<u>1,300,000</u>	<u>800,000</u>	<u>1</u>	<u>358,272</u>	<u>3</u>	<u>7,122</u>	<u>2,465,398</u>

**Valuations of land and buildings**

The basis of the valuation of land and buildings at Shack is fair value. The land and buildings were revalued as at 30 June 2021 based on independent assessments by Herron Todd White (NAT Operations) Pty Ltd having recent experience in the location and category of land and buildings being valued. Valuations are based on current prices for similar properties in the same location and condition.

**Note 11. Non-current assets - right-of-use assets**

	2021 \$	2020 \$
Chalet (Smiggin Holes) land and buildings - right-of-use	12	12
Less: Accumulated depreciation	(1)	-
	<u>11</u>	<u>12</u>
Copper Coast cabin sites - right-of-use	104,031	-
Less: Accumulated depreciation	(13,004)	-
	<u>91,027</u>	<u>-</u>
	<u><u>91,038</u></u>	<u><u>12</u></u>

The Chalet (Smiggin Holes) land and buildings right-of-use asset represents the lease of Smiggin Holes property (Chalet) recorded at cost. During 2020 financial year the lease of this property was renewed for 15 years ending 30 September 2034 at a significantly below market value (\$1 per annum). Under this lease the property can only be used as a lodge providing charitable respite accommodation to underprivileged, disadvantaged, chronically ill people with disabilities and their families/carers.

The Copper Coast cabin sites right-of-use asset represents four cabin sites leased in Wallaroo Holiday Park at a significantly below market value. The leases are for five years ending on 30 July 2023 with an option to renew for another five years.

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Chalet (Smiggin Holes) land and buildings \$	Copper Coast cabin sites \$	Total \$
Balance at 1 July 2020	12	-	12
Additions	-	104,031	104,031
Depreciation expense	(1)	(13,004)	(13,005)
	<u>11</u>	<u>91,027</u>	<u>91,038</u>

**Note 12. Current liabilities - trade and other payables**

	2021 \$	2020 \$
Accrued expenses	18,750	17,018
Unsettled transactions due to investment manager	75,000	-
Other payables	1,262	1,203
	<u>95,012</u>	<u>18,221</u>

Total trade payables of trusts the responsibility of which is vested in trusts for which the Foundation is sole trustee

**Note 13. Current liabilities - lease liabilities**

	2021 \$	2020 \$
Lease liability - Chalet (Smiggin Holes)	1	1
Lease liability - Copper Coast cabin sites	11,742	-
Lease liability of trusts the responsibility of which is vested in trusts for which the Foundation is sole trustee	<u>11,743</u>	<u>1</u>

**Note 14. Non-current liabilities - lease liabilities**

	2021 \$	2020 \$
Lease liability - Chalet (Smiggin Holes)	10	11
Lease liability - Copper Coast cabin sites	80,999	-
Lease liability of trusts the responsibility of which is vested in trusts for which the Foundation is sole trustee	<u>81,009</u>	<u>11</u>

**Note 15. Trust funds - ACNC registered charitable trusts**

	2021 \$	2020 \$
The Apex Foundation Association of Civilian Widows – New South Wales Trust	419,200	376,049
Apex Foundation Community Fund (Formerly The Trustee for Apex Necessitous Circumstances Trust)	466,306	371,179
Apex Fine Arts Scholarship Trust	39,958	35,110
Civilian Widows of Queensland Foundation Trust	955,285	845,148
Association of Civilian Widows Trust of Western Australia	1,613,501	1,416,221
Apex Foundation Charitable Trust	1,610,046	1,461,423
The Trustee for Apex Underprivileged Childrens Trust	3,936,559	3,016,394
	<u>9,040,855</u>	<u>7,521,524</u>

	Balance at 1 July 2019	Deficit allocated	Donations, direct trust income and deposits	Direct trust expenses	Grants made and other withdrawals	Balance 30 June 2020
Charitable Trust	1,590,207	(111,355)	27,271	-	(44,700)	1,461,423
Underprivileged Childrens Trust	2,969,702	(101,166)	272,127	(124,269)	-	3,016,394
Apex Foundation Community Fund	418,070	(29,170)	13,329	-	(31,050)	371,179
Civilian Widows-NSW	401,736	(25,687)	-	-	-	376,049
Civilian Widows- QLD	951,183	(54,877)	-	-	(51,158)	845,148
Civilian Widows- WA	1,529,969	(97,429)	-	-	(16,319)	1,416,221
Fine Arts Trust	37,367	(2,307)	50	-	-	35,110
	<u>7,898,234</u>	<u>(421,991)</u>	<u>312,777</u>	<u>(124,269)</u>	<u>(143,227)</u>	<u>7,521,524</u>



**Note 15. Trust funds - ACNC registered charitable trusts (continued)**

	Balance at 1 July 2020	Adjustment s	Net Income From Investments	Donations, direct trust income	Direct trust expenses and expenses allocated to Trusts	Revaluation increments	Grants made and other withdrawals	Balance 30 June 2021
Civilian Widows- NSW	376,049	(7,316)	57,581	-	(4,914)	-	(2,200)	419,200
Apex Foundation Community Fund	371,179	(6,773)	64,767	44,532	(5,599)	-	(1,800)	466,306
Fine Arts Trust	35,110	(154)	5,468	-	(466)	-	-	39,958
Civilian Widows- QLD	845,148	(8,700)	130,993	-	(11,180)	-	(976)	955,285
Civilian Widows- WA	1,416,221	4,743	221,538	-	(18,897)	-	(10,104)	1,613,501
Charitable Trust Underprivileged	1,461,423	1,465	224,556	-	(19,176)	-	(58,222)	1,610,046
Childrens Trust	3,016,394	(4,007)	219,830	263,274	(160,281)	601,349	-	3,936,559
	<u>7,521,524</u>	<u>(20,742)</u>	<u>924,733</u>	<u>307,806</u>	<u>(220,513)</u>	<u>601,349</u>	<u>(73,302)</u>	<u>9,040,855</u>

Grants made by Civilian Widows - QLD represent grants made in 2021 of \$7,167 net of refund of prior year grants of \$6,191.

**Note 16. Trust funds - Apex reserve and clubs trusts**

		2021 \$	2020 \$	
Apex Charitable Reserve		117,364	103,066	
Apex Overseas Relief Reserve		52,524	46,040	
Apex Mascot Reserve		956,028	816,020	
Apex Western Australia Reserve		72,781	68,214	
Apex Hoppers Crossing Reserve		75,952	66,576	
Apex Southern Clubs Reserve		40,268	35,189	
Apex Northern Clubs Reserve		188,527	161,354	
		<u>1,503,444</u>	<u>1,296,459</u>	
	Balance at 1 July 2019	Deficit allocated	Grants made and other withdrawals	
			Balance at 30 June 2020	
Charitable Reserve	216,943	(13,877)	(100,000)	103,066
Overseas Relief Reserve	49,185	(3,145)	-	46,040
Mascot Reserve	929,801	(58,781)	(55,000)	816,020
WA Reserve	72,873	(4,659)	-	68,214
Hoppers Crossing Reserve	71,123	(4,547)	-	66,576
Northern Clubs Reserve	172,066	(7,246)	(3,466)	161,354
Southern Clubs Reserve	36,709	(1,520)	-	35,189
	<u>1,548,700</u>	<u>(93,775)</u>	<u>(158,466)</u>	<u>1,296,459</u>

**Note 16. Trust funds - Apex reserve and clubs trusts (continued)**

Balance at 1 July 2020	Balance at 1 July 2020	Adjustments	Net income from Investments	Expenses allocated to Trust	Withdrawals	Balance 30 June 2021
Charitable Reserve	103,066	(394)	16,062	(1,370)	-	117,364
Overseas Relief Reserve	46,040	(91)	7,188	(613)	-	52,524
Mascot Reserve	816,020	20,330	130,839	(11,161)	-	956,028
WA Reserve	68,214	(135)	10,611	(909)	(5,000)	72,781
Hoppers Crossing Reserve	66,576	(131)	10,394	(887)	-	75,952
Southern Clubs Reserve	35,189	(374)	5,453	-	-	40,268
Northern Clubs Reserve	161,354	1,536	25,637	-	-	188,527
	<u>1,296,459</u>	<u>20,741</u>	<u>206,184</u>	<u>(14,940)</u>	<u>(5,000)</u>	<u>1,503,444</u>

**Note 17. Fair value measurement**

*Fair value hierarchy*

The following tables detail the Apex Foundation's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>2021</b>				
<i>Assets</i>				
Listed securities	5,747,393	-	-	5,747,393
Unlisted other investments	-	515,100	-	515,100
Land and buildings	-	-	2,100,000	2,100,000
Total assets	<u>5,747,393</u>	<u>515,100</u>	<u>2,100,000</u>	<u>8,362,493</u>
<b>2020</b>				
<i>Assets</i>				
Listed securities	4,548,873	-	-	4,548,873
Unlisted other investments	-	300,000	-	300,000
Land and buildings	-	-	1,519,899	1,519,899
Total assets	<u>4,548,873</u>	<u>300,000</u>	<u>1,519,899</u>	<u>6,368,772</u>

There were no transfers between levels during the financial year.

**Note 18. Key management personnel disclosures**

*Compensation*

No compensation was made to directors in either the 2020/21 or 2019/2020 years. The directors do not receive any compensation for their services as directors. No other persons are considered to be "Key Management Personnel".

### **Note 19. Related party transactions**

#### *Key management personnel*

Disclosures relating to key management personnel are set out in note 18.

#### *Transactions with related parties*

There were no transactions with related parties during the current and previous financial year.

#### *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 20. Coronavirus (COVID 19) Pandemic**

The Foundation experienced a loss of facility hiring fees but was able to maintain staff due to the receipt of the Job Keeper and Cash Flow Boost Subsidies from the Federal Government.

### **Note 21. Events after the reporting period**

#### *Coronavirus (COVID 19) Pandemic*

Subsequent to the year end the Foundation experienced a loss of facility hiring fees but did not receive any Subsidies.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the Foundation's operations, the results of those operations, or the Foundation's state of affairs in future financial years.

In the directors' opinion:

- the attached financial statements and notes comply with the Australian Charities and Not-for-profits Commission Act 2012, the Corporations Act 2001, the Australian Accounting Standards - Reduced Disclosure Requirements and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Apex Foundation's financial position as at 30 June 2021 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Apex Foundation will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



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Anthony John Wilshire  
Director

3 November 2021



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Brian William Powe  
Director



#### LBW & Partners

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## Apex Foundation

ABN: 58 001 347 897

# Independent Auditor's Report to the members of Apex Foundation

## Opinion

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

In our opinion, the accompanying financial report of Apex Foundation is in accordance with Div 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and the *Corporations Act 2001*, including:

- giving a true and fair view of the Company's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- complying with *Australian Accounting Standards – Reduced Disclosure Requirements*, the *Australian Charities and Not-for-profits Commission Regulation 2013* and the *Corporations Regulations 2001*.

## 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 Company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012*, 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 (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 confirm that the independence declaration required by *Australian Charities and Not-for-profits Commission Act 2012* and the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

## Responsibilities of Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Australian Accounting Standards – Reduced Disclosure Requirements*, *Australian Charities and Not-for-profits Commission Act 2012*, the *Corporations Act 2001* and for such internal control as the directors determine 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.



**Apex Foundation**  
ABN: 58 001 347 897

## **Independent Auditor's Report to the members of Apex Foundation**

### **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.

A further description of our responsibilities for the audit of the financial report is located in the auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

Rupaninga Dharmasiri  
Partner

LBW & Partners  
Chartered Accountants  
Level 3, 845 Pacific Highway  
CHATSWOOD NSW 2067

Date : 4 November 2021