



Apex Foundation

ABN 58 001 347 897

Financial Statements - 30 June 2022

Apex Foundation
Contents
30 June 2022



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Your Directors have pleasure in presenting their report on Apex Foundation for the year ended June 30th 2022.

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	
Lindsay Murray Carthew	
John Charles King	
Graham Martin Cassidy	Resigned April 10th 2022
Bethany Paterson*	Resigned August 21 st 2021
Neal Benjamin Molineaux	Resigned July 22nd 2022
Adam Stewart*	Appointed August 21 st 2021, resigned July 22nd 2022
David Maxwell Cotton	Appointed August 21 st 2021
Simon David Grant*	Appointed July 22nd 2022

* 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 2021/2022 financial year, the portfolio returned -2.76% as compared to a positive return of 16.69% during 2020/21 financial year. 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.
- 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 grants made are shown hereunder. There were no significant changes in the nature of this Foundation grant-making activity during the year.

THE YEARS IN SUMMARY

	2022 \$	2021 \$
Opening balance of trusts	10,544,299	8,817,983
Distributed surpluses (deficits)	(217,259)	1,145,869
Trust fund deposits	-	57,400
Trust fund withdrawals	(30,000)	(5,000)
Grants made	(228,879)	(73,302)
Revaluation surplus	-	601,349
	<u>10,068,161</u>	<u>10,544,299</u>
Closing balance of trusts	<u>10,068,161</u>	<u>10,544,299</u>

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 2022.

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
Director for the Apex Fine Arts Scholarship Trust
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 the Board Audit and Risk Committee (BARC)

Name: Peter Michael Fitze
Title: Company Secretary appointed 2001
Qualifications: BA (Social Science), RN (Retired), JP
Experience and expertise: Apexian for 11 years (retired), Honorary Life Member of Apex Foundation
Retired CEO (Not-for-profit), Retired executive (Public service)
Board member since 1988 (Chairman 1989 - 1990)
Special responsibilities: Director for the Apex Foundation Community Trust
Director for Civilian Widows Trust NSW
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
Member of the Board Audit Risk Committee (BARC)
Member of the Finance Committee
Member of the Investment Committee
Member of the 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: Member of Corporate Governance Committee

Name: Graham Martin Cassidy
Title: Director (resigned 10th of April, 2022)
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 (resigned 22nd of July, 2022)
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 the Marketing and Membership Committee

Name: David Maxwell Cotton
Title: Director
Qualifications: Dip Bus (Acc) MBA CA
Experience and expertise: Apexian 10 years
Past Apex Australia National Treasurer 1993/94
Member of Apex Foundation since 2021
Special responsibilities: Chairman of the Finance Committee
Chairman of the Board Audit Risk Committee (BARC)
Chairman of the Corporate Governance Committee
Member of the Investments Committee

Name: Adam Stewart
Title: Director (resigned 22nd of July, 2022)
Experience and expertise: Apexian for 11 years
Apex Australia National President 2021-2022

Meetings of directors

During the year, five meetings of the Directors were held. These were on 21/ 08/2021 zoom, on 19/ 11/ 2021 zoom, on 20/ 11/ 2021 zoom, on 21/02/2022 zoom, on 08/ 04/ 2022 (face to face).

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 2022, the total amount that members of the company are liable to contribute if the company is wound up is \$9,900 there being 198 members (2021 \$13,500 with 270 members).

Auditor's independence declaration

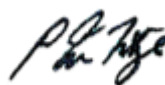
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 and Division 60 of the Australian Charities and Not-for-profits Commission Act 2012 is set out immediately after this directors' report.

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



Anthony John Wilshire
Chairman/Director



Peter Michael Fitze
Company Secretary/Director

11 October 2022

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 2022, 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

Dated this2022

Apex Foundation
Statement of income and retained earnings
For the year ended 30 June 2022



	Note	2022 \$	2021 \$
Revenue of the Foundation generated on behalf of the trusts			
Dividends & distributions		139,484	98,186
Interest		76,055	91,725
Imputation credits		45,396	42,943
(Loss)/gain on financial assets at fair value through profit or loss		(426,430)	898,063
(Loss)/income from managed investments distributed to all trusts		<u>(165,495)</u>	<u>1,130,917</u>
Non-preserved donations - Charitable trust		11,450	-
Non-preserved donations - Underprivileged childrens trust		123,664	140,483
Non-preserved donations and membership fees - Apex Foundation Community Fund		2,977	15,237
Non-preserved donations - Fine arts trust		125	-
Facility hiring fees - Underprivileged childrens trust		56,146	65,678
Other income		50	41,789
Donations and other income distributed to specific trusts		<u>194,412</u>	<u>263,187</u>
Total revenue		<u>28,917</u>	<u>1,394,104</u>
Expenses distributed to all trusts			
Audit and accounting		(40,320)	(52,302)
Office & systems		(7,103)	(5,287)
Staffing		(24,624)	(29,257)
Board meetings		(9,794)	(2,839)
Insurances		(33,795)	(32,191)
Bank charges and sundries		(1,407)	(366)
Legal and other professional fees		(25,700)	-
Finance costs	5	<u>(3,115)</u>	<u>-</u>
Operating surplus/(deficit)		(116,941)	1,271,862
To Underprivileged Childrens Trust - Staffing costs		(5,307)	(20,274)
To Underprivileged Childrens Trust - Depreciation		(49,301)	(50,245)
To Underprivileged Childrens Trust - Operating		(45,710)	(55,474)
Trust grants and distributions		(258,879)	(78,302)
Allocation of trust grants and distributions		258,879	78,302
Net deficit (surplus) allocated to trusts		<u>217,259</u>	<u>(1,145,869)</u>
Surplus before income tax expense		-	-
Income tax expense		-	-
Surplus after income tax expense for the year attributable to the members of Apex Foundation		-	-
Retained surpluses at the beginning of the financial year		-	-
Retained surpluses at the end of the financial year		<u>-</u>	<u>-</u>

The above statement of income and retained earnings should be read in conjunction with the accompanying notes

Apex Foundation
Statement of financial position
As at 30 June 2022



	Note	2022 \$	2021 \$
Assets			
Current assets			
Cash and cash equivalents	6	1,049,611	1,087,015
Trade and other receivables	7	111,079	62,419
Financial assets at fair value through profit or loss	8	5,999,374	6,262,493
Other financial assets	9	489,888	755,476
Other current assets	10	10,878	8,224
Total current assets		<u>7,660,830</u>	<u>8,175,627</u>
Non-current assets			
Property, plant and equipment	11	2,447,771	2,465,398
Right-of-use assets	12	77,998	91,038
Total non-current assets		<u>2,525,769</u>	<u>2,556,436</u>
Total assets		<u>10,186,599</u>	<u>10,732,063</u>
Liabilities			
Current liabilities			
Trade and other payables	13	37,428	95,012
Lease liabilities	14	12,213	11,743
Total current liabilities		<u>49,641</u>	<u>106,755</u>
Non-current liabilities			
Lease liabilities	15	68,797	81,009
Total non-current liabilities		<u>68,797</u>	<u>81,009</u>
Total liabilities		<u>118,438</u>	<u>187,764</u>
Net assets controlled by the Foundation on behalf of trusts		<u>10,068,161</u>	<u>10,544,299</u>
Trust funds			
ACNC registered charitable trusts	16	8,646,863	9,040,855
Apex reserve and clubs trusts	17	1,421,298	1,503,444
Total trust funds		<u>10,068,161</u>	<u>10,544,299</u>

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

Apex Foundation
Statement of cash flows
For the year ended 30 June 2022



	Note	2022 \$	2021 \$
Cash flows from operating activities			
Dividends received		139,484	195,338
Interest received		76,055	91,725
Other receipts		212,375	275,436
Payments to suppliers and employees		(274,239)	(150,579)
Grants made		(228,879)	(73,302)
		<u>(75,204)</u>	<u>338,618</u>
Interest and other finance costs paid		(3,115)	(3,567)
		<u>(78,319)</u>	<u>335,051</u>
Net cash from/(used in) operating activities		<u>(78,319)</u>	<u>335,051</u>
Cash flows from investing activities			
Proceeds from disposal of investments		6,077,369	4,776,928
Payment for purchase of investments		(6,241,666)	(4,522,311)
Fixed asset purchases		(18,634)	-
Proceeds from redemption of term deposits		265,588	-
		<u>82,657</u>	<u>254,617</u>
Net cash from investing activities		<u>82,657</u>	<u>254,617</u>
Cash flows from financing activities			
Trust fund deposits		-	57,400
Trust fund withdrawals and closures		(30,000)	(5,000)
Repayment of lease liabilities		(11,742)	-
		<u>(41,742)</u>	<u>52,400</u>
Net cash from/(used in) financing activities		<u>(41,742)</u>	<u>52,400</u>
Net increase/(decrease) in cash and cash equivalents		(37,404)	642,068
Cash and cash equivalents at the beginning of the financial year		<u>1,087,015</u>	<u>444,947</u>
Cash and cash equivalents at the end of the financial year	6	<u><u>1,049,611</u></u>	<u><u>1,087,015</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 and domiciled in Australia. The financial statements are presented in Australian dollars, which is Apex Foundation's functional and presentation currency.

Apex Foundation's registered office and principal place of business is:

c/- Colin Biggers & Paisley, Level 42
2 Park Street Sydney NSW 2000

A description of the nature of the Foundation's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 11 October 2022.

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 25 055 756 519)
- b. The Trustee for Apex Underprivileged Childrens Trust (ABN 31 014 983 452)
- c. Apex Foundation Community Fund (ABN 12 974 150 769)
- d. The Apex Foundation Association of Civilian Widows - New South Wales Trust (ABN 61 301 930 876)
- e. Civilian Widows of Queensland Foundation Trust (ABN 67 109 739 633)
- f. Association of Civilian Widows Trust of Western Australia (ABN 35 800 618 346)
- g. Apex Fine Arts Scholarship Trust (ABN 24 676 726 821)

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.

Note 2. Basis of preparation

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 Charitable Fundraising Act 1991 and associated regulations and the Corporations Act 2001, as appropriate for not-for profit oriented entities.

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

Note 3. 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.

Comparative figures

Certain comparative figures have been reclassified to conform to current year classifications.

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.
- d. Gain/(loss) from the investment portfolio is recorded under gain/(loss) on financial assets at fair value through profit and loss.

Gifts in-kind received

Gifts of non-capitalised goods and volunteer 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 in accordance with AASB 1058. 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 in accordance with AASB 15.

Note 3. Significant accounting policies (continued)

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.

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 \$679,394 for the year ended 30 June 2022 (2021: \$247,145) 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.

Financial instruments

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

Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss.

Note 3. Significant accounting policies (continued)

I. Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, The Foundation classifies its financial assets into the following categories, those measured at:

(a) amortised cost or (b) fair value through profit or loss

Financial assets are not reclassified subsequent to their initial recognition unless The Foundation changes its business model for managing financial assets.

Amortised cost

The Foundation's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position. Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment. Interest income and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Fair value through profit and loss

Equity instruments

The Foundation has invested in a portfolio of equity instruments in listed and unlisted entities over which are The Foundation do not have significant influence nor control. The Foundation has made an irrevocable election to classify these equity investments as fair value through profit and loss. These investments are carried at fair value with changes in fair value recognised in profit and loss as the change in fair value is allocated to trusts on a monthly basis. Fair value of equity listed investments are based on quoted market price as at the measurement date. Unlisted investments are valued using other valuation techniques that are appropriate at the measurement date.

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

Impairment of financial assets

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

-Financial assets measured at amortised cost

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

-Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Foundation has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

II. Financial liabilities

The Foundation measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method. The financial liabilities of the Foundation comprise trade and other payables and lease liabilities.

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.

Note 3. Significant accounting policies (continued)

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.

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. 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.

Note 3. Significant accounting policies (continued)

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.

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.

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.

Note 3. Significant accounting policies (continued)

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.

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.

Note 4. 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.

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. 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.

Note 5. Expenses

	2022 \$	2021 \$
Surplus before income tax includes the following specific expenses:		
<i>Finance costs</i>		
Interest and finance charges paid/payable on lease liabilities	3,115	3,567
<i>Superannuation expense</i>		
Defined contribution superannuation expense	2,644	3,131
Depreciation - property, plant and equipment	36,261	37,240
Depreciation - right-of-use asset - Chalet (Smiggin Holes) land and buildings	-	1
Depreciation - right-of-use asset - Copper Coast - cabin sites	13,040	13,004

Note 6. Current assets - cash and cash equivalents

	2022 \$	2021 \$
Operational cash with Westpac	207,320	190,788
Interest bearing cash with investment manager	842,291	896,227
	<u>1,049,611</u>	<u>1,087,015</u>

Note 7. Current assets - trade and other receivables

	2022 \$	2021 \$
Imputation credits receivable	88,977	43,580
GST refunds receivable	8,597	5,996
Income declared but not paid	4,700	12,843
	<u>102,274</u>	<u>62,419</u>
Other receivables	8,805	-
	<u>111,079</u>	<u>62,419</u>

Note 8. Current assets - financial assets at fair value through profit or loss

	2022 \$	2021 \$
Listed securities at market value	5,420,926	5,747,393
Unlisted other investments at fair value	578,448	515,100
	<u>5,999,374</u>	<u>6,262,493</u>

Note 9. Current assets - Other financial assets

	2022 \$	2021 \$
Term deposits with investment manager	489,888	755,476

Note 10. Current assets - Other current assets

	2022 \$	2021 \$
Prepayments	<u>10,878</u>	<u>8,224</u>

Note 11. Non-current assets - property, plant and equipment

	2022 \$	2021 \$
Freehold land - at valuation - Shack	<u>1,300,000</u>	<u>1,300,000</u>
Freehold building at valuation - Shack	818,634	800,000
Less: Accumulated depreciation	<u>(20,000)</u>	<u>-</u>
	798,634	800,000
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>(87,126)</u>	<u>(73,952)</u>
	345,098	358,272
Equipment - at cost	166,561	166,561
Less: Accumulated depreciation	<u>(162,526)</u>	<u>(159,439)</u>
	4,035	7,122
	<u>2,447,771</u>	<u>2,465,398</u>

Reconciliations

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

	Freehold Land Shack \$	Freehold Buildings Shack \$	Leasehold Buildings Chalet \$	Leasehold Impr. Copper Coast \$	Leasehold Impr. Chalet \$	Equipment \$	Total \$
Balance at 1 July 2021	1,300,000	800,000	1	358,272	3	7,122	2,465,398
Additions	-	18,634	-	-	-	-	18,634
Depreciation expense	-	(20,000)	-	(13,174)	-	(3,087)	(36,261)
Balance at 30 June 2022	<u>1,300,000</u>	<u>798,634</u>	<u>1</u>	<u>345,098</u>	<u>3</u>	<u>4,035</u>	<u>2,447,771</u>

Valuations of land and buildings

The basis of the valuation of land and buildings at Shack is fair value. The land and buildings at Shack 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 12. Non-current assets - right-of-use assets

	2022 \$	2021 \$
Chalet (Smiggin Holes) land and buildings - right-of-use	12	12
Less: Accumulated depreciation	<u>(1)</u>	<u>(1)</u>
	11	11
Copper Coast cabin sites - right-of-use	104,031	104,031
Less: Accumulated depreciation	<u>(26,044)</u>	<u>(13,004)</u>
	77,987	91,027
	<u>77,998</u>	<u>91,038</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 and recorded at cost. 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 land and buildings \$	Copper Coast cabin sites \$	Total \$
Balance at 1 July 2021	11	91,027	91,038
Depreciation expense	<u>-</u>	<u>(13,040)</u>	<u>(13,040)</u>
Balance at 30 June 2022	<u>11</u>	<u>77,987</u>	<u>77,998</u>

Note 13. Current liabilities - trade and other payables

	2022 \$	2021 \$
Accrued expenses	18,265	18,750
Unsettled transactions due to investment manager	-	75,000
Other payables	<u>19,163</u>	<u>1,262</u>
Total trade payables of trusts the responsibility of which is vested in trusts for which the Foundation is sole trustee	<u>37,428</u>	<u>95,012</u>

Note 14. Current liabilities - lease liabilities

	2022 \$	2021 \$
Lease liability - Chalet (Smiggin Holes)	1	1
Lease liability - Copper Coast cabin sites	<u>12,212</u>	<u>11,742</u>
Lease liability of trusts the responsibility of which is vested in trusts for which the Foundation is sole trustee	<u>12,213</u>	<u>11,743</u>

Note 15. Non-current liabilities - lease liabilities

	2022 \$	2021 \$
Lease liability - Chalet (Smiggin Holes)	10	10
Lease liability - Copper Coast cabin sites	68,787	80,999
Lease liability of trusts the responsibility of which is vested in trusts for which the Foundation is sole trustee	<u>68,797</u>	<u>81,009</u>

Note 16. Trust funds - ACNC registered charitable trusts

	2022 \$	2021 \$
The Apex Foundation Association of Civilian Widows – New South Wales Trust	403,605	419,200
Apex Foundation Community Fund (Formerly The Trustee for Apex Necessitous Circumstances Trust)	441,952	466,306
Apex Fine Arts Scholarship Trust	31,721	39,958
Civilian Widows of Queensland Foundation Trust	882,471	955,285
Association of Civilian Widows Trust of Western Australia	1,507,876	1,613,501
Apex Foundation Charitable Trust	1,469,023	1,610,046
The Trustee for Apex Underprivileged Childrens Trust	3,910,215	3,936,559
	<u>8,646,863</u>	<u>9,040,855</u>

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

	Balance at 1 July 2021 \$	Loss from Investments \$	Donations & direct trust income \$	Direct trust exp. & exp. allocated \$	Grants made and other withdrawals \$	Balance at 30 June 2022 \$
Civilian Widows - NSW	419,200	(10,350)	-	(5,245)	-	403,605
Community Fund	466,306	(10,731)	50	(6,396)	(7,277)	441,952
Fine Arts Trust	39,958	(605)	125	(2,757)	(5,000)	31,721
Civilian Widows - QLD	955,285	(21,869)	-	(11,662)	(39,283)	882,471
Civilian Widows - WA	1,613,501	(37,509)	-	(20,016)	(48,100)	1,507,876
Charitable Trust	1,610,046	(6,695)	11,450	(27,873)	(117,905)	1,469,023
Un. Priv. Chi. Trust	3,936,559	(41,530)	189,810	(153,310)	(21,314)	3,910,215
	<u>9,040,855</u>	<u>(129,289)</u>	<u>201,435</u>	<u>(227,259)</u>	<u>(238,879)</u>	<u>8,646,863</u>

Note 17. Trust funds - Apex reserve and clubs trusts

	2022 \$	2021 \$
Apex Charitable Reserve	112,997	117,364
Apex Overseas Relief Reserve	50,570	52,524
Apex Mascot Reserve	920,464	956,028
Apex Western Australia Reserve	70,071	72,781
Apex Hoppers Crossing Reserve	48,940	75,952
Apex Southern Clubs Reserve	34,498	40,268
Apex Northern Clubs Reserve	183,758	188,527
	<u>1,421,298</u>	<u>1,503,444</u>

	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>

	Balance at 1 July 2021 \$	Loss from investments \$	Expenses allocated \$	Withdrawals \$	Balance at 30 June 2022 \$
Charitable Reserve	117,364	(2,899)	(1,468)	-	112,997
Overseas Relief Reserve	52,524	(1,297)	(657)	-	50,570
Mascot Reserve	956,028	(23,605)	(11,959)	-	920,464
WA Reserve	72,781	(1,797)	(913)	-	70,071
Hoppers Crossing Reserve	75,952	(1,069)	(943)	(25,000)	48,940
Southern Clubs Reserve	40,268	(770)	-	(5,000)	34,498
Northern Clubs Reserve	188,527	(4,769)	-	-	183,758
	<u>1,503,444</u>	<u>(36,206)</u>	<u>(15,940)</u>	<u>(30,000)</u>	<u>1,421,298</u>

Note 18. Members' guarantee

The Foundation is a company limited by guarantee. If the Foundation is wound up, the constitution states that each member is required to contribute a maximum of \$50 each towards meeting any outstanding obligations of the Foundation. At 30 June 2022 the number of members was 198 (2021: 270).

Note 19. Key management personnel disclosures

Compensation

No compensation was paid to directors in either the 2021/22 or 2020/2021 years. The directors do not receive any compensation for their services as directors. No other persons are considered to be "Key Management Personnel".

Note 20. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by LBW & Partners, the auditor of the Apex Foundation:

	2022 \$	2021 \$
<i>Audit services - LBW & Partners</i>		
Audit of the financial statements	12,500	12,500
<i>Other services - LBW & Partners</i>		
Taxation and other compliance	4,390	8,200
Preparation of financial statements	2,000	2,000
	6,390	10,200
	<u>18,890</u>	<u>22,700</u>

Note 21. Financial instruments

	2022 \$	2021 \$
Financial assets		
Financial assets at amortised cost:		
Cash and cash equivalents	1,049,611	1,087,015
Trade and other receivables	111,079	61,419
Term deposits with investment manager	489,888	755,476
Total financial assets at amortised cost	<u>1,650,578</u>	<u>1,903,910</u>
Financial assets at fair value through profit and loss:		
Listed securities	5,420,926	5,747,393
Unlisted securities	578,448	515,100
Total financial assets at fair value through profit and loss	<u>5,999,374</u>	<u>6,262,493</u>
Total financial assets	<u>7,649,952</u>	<u>8,166,403</u>
	2022 \$	2021 \$
Financial liabilities		
Financial liabilities at amortised cost:		
Trade and other payables	42,633	95,012
Lease liabilities	81,010	92,752
Total financial liabilities	<u>123,643</u>	<u>187,764</u>

Note 22. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 19.

Note 22. Related party transactions (continued)

Transactions with related parties

The following transactions occurred with related parties:

	2022 \$	2021 \$
Payment for goods and services:		
Payment for legal services to director related entity	25,000	-

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.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 23. Coronavirus (COVID 19) Pandemic

The Foundation experienced a loss of facility hiring fees during the first half of the financial year due to COVID-19 lockdowns.

Note 24. Events after the reporting period

Subsequent to the year end the Foundation has undertaken a restructuring process in relation to Seven of the Trusts of which it acts as Sole Trustee. The significant changes to these Trusts include:

-The wind up and distribution of the assets of the Apex Fine Arts Scholarship Trust to the Apex Underprivileged Children's Trust. This Trust to be renamed Apex Foundation Opportunity Fund.

-The wind up and distribution of the assets of the Apex Foundation Community Fund to the Apex Underprivileged Children's Trust renamed Apex Foundation Opportunity Fund.

-The wind up and distribution of assets of the Civilian Widows of Queensland Foundation and the Apex Foundation Association of Civilian Widows-New South Wales Trust to the Association of Civilian Widows Trust of Western Australia. This Trust to be renamed Apex Foundation CW Family Care Trust.

-The Apex Foundation Charitable Trust will be renamed Apex Foundation Public Ancillary Fund.

In all cases each asset distribution will be maintained by way of a Sub Fund within each of the renamed Trusts.

No other matter or circumstance has arisen since 30 June 2022 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:

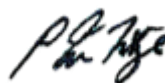
- the attached financial statements and notes comply with the Australian Charities and Not-for-profits Commission Act 2012, the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosures and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Apex Foundation's financial position as at 30 June 2022 and of its performance for the financial year ended on that date;
- 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; and

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



Anthony John Wilshire
Chairman/Director



Peter Michael Fitze
Company Secretary/Director

11 October 2022

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 2022, 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 2022 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.

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.

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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Apex Foundation
ABN: 58 001 347 897

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We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Rupaninga Dharmasiri
Partner

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Dated this2022