

Financial Report

ABN: 27 270 322 639

Milner Road Foundation

30 June 2018

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Directors' Declaration

Milner Road Foundation

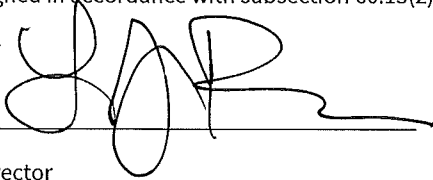
For the year ended 30 June 2018

The directors of the trustee company of the Foundation declare that the trust is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 of the financial statements.

In accordance with a resolution of the Board of Directors, the directors of the trustee company declare that:

1. The financial statements and notes satisfy the requirements of the Australian Charities and Not-for-profits Commission Act 2012.
2. In the directors' opinion there are reasonable grounds to believe that the trust will be able to pay all of its debts, as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profit Commission Regulation 2013.



A handwritten signature in black ink, appearing to read 'L. J. Tarca', is written over a horizontal line.

Director

Name:

Lisa J. Tarca

Dated:

28 - Nov. 2018

Statement of Profit and Loss and other Comprehensive Income

Milner Road Foundation
For the year ended 30 June 2018

	30 JUNE 2018	30 JUNE 2017
Income		
Gross Interest	1,944	1,177
Dividend Franking Credits	227	-
Gross Trust Distributions	2,301	-
Total Income	4,473	1,177
Other Income		
Increase / (Decrease) in Market Value of Investments	638	-
Donations Received	100,000	100,000
Total Other Income	100,638	100,000
Total	105,110	101,177
Expenses		
Management & Administration	5,125	5,125
Audit Fees	770	825
Other Expenses		
Accountancy	245	-
Filing Fees	48	47
Total Other Expenses	293	47
Total Expenses	6,188	5,997
Profit/(Loss) Before Grants	98,922	95,180
Grants Made		
Grants Made	25,000	15,000
Total Grants Made	25,000	15,000
Net Profit / (Loss)	73,922	80,180

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

Milner Road Foundation

For the year ended 30 June 2018

	2018	2017
Equity		
Opening Balance	167,732	87,553
Current Year Earnings	73,922	80,180
Total Equity	241,654	167,732

The accompanying notes form part of these financial statements.

Statement of Financial Position

Milner Road Foundation

As at 30 June 2018

30 JUNE 2018 30 JUNE 2017

Assets

	30 JUNE 2018	30 JUNE 2017
Current Assets		
Cash and Equivalents		
Cash at Bank	188,394	167,638
Total Cash and Equivalents	188,394	167,638
Receivables		
GST	94	94
Trust Distributions Receivable	2,301	-
Franking Credits Receivable	227	-
Total Receivables	2,623	94
Total Current Assets	191,017	167,732
Non-Current Assets		
Financial Assets		
Share in Unlisted Entities at Market Value	50,638	-
Total Financial Assets	50,638	-
Total Non-Current Assets	50,638	-
Total Assets	241,654	167,732
Net Assets	241,654	167,732
Trust Funds		
Settlement Sum	100	100
Accumulated Profits	241,554	167,632
Total Trust Funds	241,654	167,732

The accompanying notes form part of these financial statements.

Statement of Cash Flows

Milner Road Foundation

For the year ended 30 June 2018

	2018	2017
Cash flows from Operating Activities		
Receipts from donations	100,000	100,000
Interest received	1,944	1,177
Cash payments for other operating activities	(31,188)	(20,997)
Total Cash flows from Operating Activities	70,756	80,180
Cash flows from Investing Activities		
Payment for investments	(50,000)	-
Other cash items from investing activities	-	(94)
Total Cash flows from Investing Activities	(50,000)	(94)
Net increase/(decrease) in cash held	20,756	80,086
Cash Balances		
Opening cash balance	167,638	87,553
Closing cash balance	188,394	167,638
Movement in cash	20,756	80,086

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

Milner Road Foundation

For the year ended 30 June 2018

1. Statement of Significant Accounting Policies

The directors of the trustee company have prepared the financial statements of the Foundation on the basis that they satisfy the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and that the Foundation is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the needs of the Foundation, including the requirements of the trust deed, Private Ancillary Fund Guidelines 2009, the information needs of stakeholders and for the basis of preparation of the Annual Information Statement.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the purpose of the Foundation and the needs of the Trustee. Such accounting policies are consistent with the previous period unless stated otherwise.

All amounts included in the financial statements are denominated in Australian Dollars unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes.

The accounting policies that have been adopted in the preparation of these statements are as follows:

Income Tax

The Foundation is endorsed to access the exemption from income tax under Subdivision 50-B of the Income Tax Assessment Act 1997.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less.

Financial Assets

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the Foundation becomes a party to the contractual provisions to the instrument. This is equivalent to the date that the Foundation commits itself to either purchase or sell the asset. Financial instruments are initially measured at fair value plus transaction costs.

Classification and Subsequent Measurement

Financial Instruments are subsequently measured at fair value every year with changes in carrying value being included in profit or loss. Quoted bid prices in an active market are used to determine fair value whenever possible. In other circumstances such as for unlisted investments, valuation techniques are adopted as agreed by the directors, including recent arm's length transactions, reference to similar instruments, historical cost and option pricing models.

Related Party Transactions

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

Revenue and Other Income

Interest and donations revenue is recognised when it is paid or credited to the Foundation. Dividends, trust distributions and refundable franking credits revenue is recognised when the right to receive the consideration has been established.

Expenses

Distributions or grants to eligible recipients is recognised as an expense to the Foundation when it is paid.

Critical Accounting Estimates and Judgements

The trustees evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the foundation.

Trust Details

The principal place of business is:

C/- Australian Philanthropic Services
8 Spring Street
Sydney NSW 2000

The principal activities of the Foundation during the financial year were investing and distributing grants.

The Foundation is a not for profit entity and has been established for charitable purposes only.

Milner Road Foundation

Independent Audit Report to the Trustee of Milner Road Foundation

Part A: Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a special purpose financial report of Milner Road Foundation (the Foundation), which includes the statement of financial position as at 30 June 2018, the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and Directors' Declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of Milner Road Foundation as at 30 June 2018 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the requirements of the *Private Ancillary Fund Guidelines 2009* and the *Australian Charities and Not-for-profits Commission Act 2012*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Foundation in accordance with the ethical requirements of *subdivision 60* of the *Australian Charities and Not-for-profits Commission Act 2012* and the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Foundation to meet the requirements of its Trust Deed, the *Australian Charities and Not-for-profits Commission Act 2012* and the *Private Ancillary Fund Guidelines 2009*. As a result, the financial report may not be suitable for another purpose.

Our opinion is not modified in respect of this matter.

Responsibilities of the Trustee for the Financial Report

The Trustee is responsible for the preparation and fair presentation of the financial report and has determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Trust Deed, the *Australian Charities and Not-for-profits Commission Act 2012* and the *Private Ancillary Fund Guidelines 2009*. The Trustee's responsibility also includes such internal control as the Trustee determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Trustee is responsible for assessing the Foundation'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 Trustee either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Milner Road Foundation

Independent Audit Report to the Trustee of Milner Road 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 Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation'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 Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Trustees 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.

Milner Road Foundation

Independent Audit Report to the Trustee of Milner Road Foundation

Part B: Compliance

Opinion

In our opinion, the Trustee of the Foundation has complied, in all material respects, with the *Private Ancillary Fund Guidelines 2009* for the year ended 30 June 2018.

Trustee's Responsibility for Compliance

The Trustee is responsible for complying with the requirements of the *Private Ancillary Fund Guidelines 2009*.

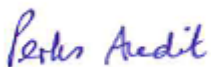
Auditor's Responsibility

Our responsibility is to express an opinion on the Trustee's compliance based on the compliance engagement. Our audit has been conducted in accordance with applicable Standards on Assurance Engagements to provide reasonable assurance that the Trustee of the Foundation complied, in all material respects, with the *Private Ancillary Fund Guidelines 2009*.

Our procedures included examinations, on a test basis, of evidence of supporting compliance with the *Private Ancillary Fund Guidelines 2009*. These tests have not been performed continuously throughout the year and were not designed to detect all instances of noncompliance.

Our procedures included testing that the Foundation Trustee has an investment strategy, that the Trustee has given consideration to risk, return, liquidity and diversification, and that the Foundation's investments are made in line with that investment strategy. No opinion is made on the investment strategy or its appropriateness to the Trustee.

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



PERKS AUDIT PTY LTD

180 Greenhill Road

Parkside

South Australia 5063



PETER J HILL

Director

Registered Company Auditor

Dated this 4th day of December 2018.