

OKGA ENDOWMENT TRUST

**FINANCIAL REPORT
FOR THE YEAR ENDED 31 OCTOBER 2022
ABN 82 079 370 943**

OKGA Endowment Trust

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OKGA Endowment Trust

Statement of Profit or Loss and Other Comprehensive Income For the year ended 31 October 2022

	Notes	2022 \$	2021 \$
Revenue			
Dividends & Distributions	2(a)	68,804	39,168
Interest	2(b)	2,672	2,869
Net unrealised (loss)/gain in value of investments		<u>(84,726)</u>	<u>253,709</u>
	2	<u>(13,250)</u>	<u>295,746</u>
Less:			
Scholarships & Bursaries		52,695	54,710
Management and bank fees		6,482	7,055
Legal Fees		<u>3,300</u>	<u>1,994</u>
		<u>62,477</u>	<u>63,759</u>
(Deficit) / surplus		(75,727)	231,987
Income tax expense	3	<u>(12,862)</u>	<u>(1,869)</u>
(Deficit) / surplus for the year		<u>(88,589)</u>	<u>230,118</u>
Total comprehensive (deficit)/income for the year		<u>(88,589)</u>	<u>230,118</u>

The accompanying notes form part of these financial statements.

OKGA Endowment Trust

Statement of Financial Position As at 31 October 2022

	Notes	2022 \$	2021 \$
CURRENT ASSETS			
Cash and cash equivalents	4	4,736	10,030
TOTAL CURRENT ASSETS		<u>4,736</u>	<u>10,030</u>
NON-CURRENT ASSETS			
Financial assets	5	1,748,841	1,821,268
TOTAL NON-CURRENT ASSETS		<u>1,748,841</u>	<u>1,821,268</u>
TOTAL ASSETS		<u>1,753,577</u>	<u>1,831,298</u>
CURRENT LIABILITIES			
Current tax liability		48,096	35,234
Other payables		-	1,994
TOTAL CURRENT LIABILITIES		<u>48,096</u>	<u>37,228</u>
TOTAL LIABILITIES		<u>48,096</u>	<u>37,228</u>
NET ASSETS		<u>1,705,481</u>	<u>1,794,070</u>
EQUITY			
Accumulated funds	6	1,705,481	1,794,070
TOTAL EQUITY		<u>1,705,481</u>	<u>1,794,070</u>

The accompanying notes form part of these financial statements.

OKGA Endowment Trust

Statement of Changes in Equity As at 31 October 2022

	Trust Funds	Trust Funds	Trust Funds	Accumulated Funds
	N Winter	Jenkins Bequest	Other	
Balance 31 October 2020	127,663	881,034	555,255	1,563,952
Contributions received during the year	-	-	-	-
Surplus/(Deficit) before bursaries	21,844	167,975	95,009	284,828
Bursaries distributed	-	(54,710)	-	(54,710)
Balance 31 October 2021	149,507	994,299	650,264	1,794,070
Contributions received during the year	-	-	-	-
Deficit before bursaries	(2,975)	(19,987)	(12,932)	(35,894)
Bursaries Distributed	-	(52,695)	-	(52,695)
Balance 31 October 2022	146,532	921,617	637,332	1,705,481

The accompanying notes form part of these financial statements.

OKGA Endowment Trust

Statement of Cash Flows For the year ended 31 October 2022

	Notes	2022 \$	2021 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Donations received		-	-
Payments to suppliers and employees		(64,471)	(41,165)
Dividends and distributions received		68,804	39,168
Interest received		2,672	2,869
Net cash provided by operating activities	7(b)	<u>7,005</u>	<u>872</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Net payment for investments and returns reinvested		<u>(12,299)</u>	<u>(872)</u>
Net cash used in investing activities		<u>(12,299)</u>	<u>(872)</u>
Net increase / (decrease) in cash held		(5,294)	-
Cash and cash equivalents at beginning of financial year		<u>10,030</u>	<u>10,030</u>
Cash and cash equivalents at end of financial year	7(a)	<u><u>4,736</u></u>	<u><u>10,030</u></u>

The accompanying notes form part of these financial statements.

OKGA Endowment Trust

Notes to the Financial Statements For the year ended 31 October 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures, other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report is for the entity OKGA Endowment Trust. OKGA Endowment Trust is a trust, established by Deed in 10 August 1962 and domiciled in Australia.

The financial statements have been prepared on an accruals basis and are based on historical costs and do not take into account changing money values or, except where stated, for certain financial instruments which are recognised at fair value. Cost is based on the fair values of the consideration given in exchange for assets.

The preparation of financial statements in conformity with Australian Accounting Standards – Simplified Disclosures requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the trust's accounting policies. The areas involving a higher degree of judgement or complexity are areas where assumptions and estimates are significant to the financial statements.

The following is a summary of the material accounting policies adopted by the trust in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

Basis of preparation

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

Accounting Policies

(a) Investments

Non-current investments are measured on fair value. The carrying amount of investments is reviewed annually by Trustees' to ensure it is not in excess of the recoverable amount of these investments. The recoverable amount is assessed from the quoted market value for shares in listed companies or the underlying net assets for other non-listed corporations. The expected net cash flows from investments have not been discounted to their present value in determining the recoverable amounts.

(b) Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at banks including at call deposits with banks.

(c) Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Dividend and distribution revenue is recognised when the right to receive a dividend or distribution has been established. All revenue is stated net of the amount of goods and services tax (GST).

(d) Impairment of assets

At each reporting date, the Trust reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less cost to sell and value-in-use, is compared to the asset's carrying value.

Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

OKGA Endowment Trust

Notes to the Financial Statements For the year ended 31 October 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Income tax

The income tax expense or benefit for the year is the tax payable on the year's taxable income based on the applicable income tax rate, adjusted for changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

(f) Critical accounting estimates and judgments

The Trustees evaluate estimates and judgments incorporated into the financial report 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 Trust.

Key estimates – Impairment

The Trust assesses impairment at each reporting date by evaluating conditions specific to the Trust that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined.

	Note	2022	2021
			\$
NOTE 2: REVENUE			
- net unrealised gain / (loss) in value of investments		(84,726)	253,709
- dividends and distributions	2(a)	68,804	39,168
- interest	2(b)	2,672	2,869
- donations		-	-
		<u>(13,250)</u>	<u>295,746</u>
(a) Dividends and distributions from:			
- other corporations and unit trusts		68,804	37,327
(b) Interest from:			
- bank		-	-
- other investments		2,672	4,710
		<u>71,476</u>	<u>42,037</u>
NOTE 3: INCOME TAX EXPENSE			
<i>Income tax expense</i>			
Current tax		12,862	1,869
		<u>12,862</u>	<u>1,869</u>
(Deficit)/surplus before tax		<u>(75,727)</u>	231,987
Tax at 30% (2021: 30%)		(22,718)	69,596
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:			
Non-assessable investment (losses)/gains		35,580	(67,727)
Adjustment recognised for prior periods		-	-
		<u>12,862</u>	<u>1,869</u>

OKGA Endowment Trust

Notes to the Financial Statements For the year ended 31 October 2022

	Note	2022 \$	2021 \$
NOTE 4: CASH AND CASH EQUIVALENTS			
Cash at bank		4,736	10,030
NOTE 5: OTHER FINANCIAL ASSETS			
NON-CURRENT			
Listed investments – at fair value		1,748,841	1,821,268
NOTE 6: ACCUMULATED FUNDS			
Trust funds – N. Winter	(a)	146,532	149,507
Trust funds – Other	(b)	637,332	650,264
Trust funds – Jenkins Bequest	(c)	921,617	994,299
		<u>1,705,481</u>	<u>1,794,070</u>
 (a) Trust funds - N. Winter			
Movements during the financial year:			
Opening balance		149,507	127,663
Contributions received during the year			-
Share of (deficit) / surplus for the year		(2,975)	21,844
Closing balance		<u>146,532</u>	<u>149,507</u>
 (b) Trust funds – Other			
Movements during the financial year:			
Opening balance		650,264	555,255
Contributions received during the year			-
Share of (deficit) / surplus for the year		(12,932)	95,009
Closing balance		<u>637,332</u>	<u>650,264</u>
 (c) Trust funds – Jenkins bequest			
Movements during the financial year:			
Opening balance		994,299	881,034
Bursary paid during year		(52,695)	(54,710)
Share of (deficit) / surplus for the year		(19,987)	167,975
Closing balance		<u>921,617</u>	<u>994,299</u>

OKGA Endowment Trust

Notes to the Financial Statements For the year ended 31 October 2022

Note	2022	2021
	\$	\$

NOTE 7: CASH FLOW INFORMATION

(a) Reconciliation of cash

Cash and cash equivalents at the end of the financial year as shown in the statement of Cash Flows is reconciled to the related items in the statement of financial position as follows:

Cash at bank	4	<u>4,736</u>	<u>10,030</u>
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(b) Reconciliation of cash flows from operating activities with surplus/(deficit) for the year

(Deficit)/surplus for the year		(88,589)	230,118
<i>Non-cash flows in profit for the period</i>			
Unrealised loss / (gain) on investments		84,726	(253,709)
<i>Changes in assets and liabilities</i>			
(Increase)/decrease in receivables		-	20,600
Increase/(decrease) in tax payable		12,862	1,869
Increase/(decrease) in other payables		(1,994)	1,994
Cash flows from operations		<u>7,005</u>	<u>872</u>

NOTE 8: TRUST DETAILS

The principal place of business of the Trust is:

OKGA Endowment Trust
2 Borambil Street
Wahroonga NSW 2076

The principal activity of the Trust during the financial year was to invest in funds for supporting the Knox Grammar School.

OKGA Endowment Trust

Trustee's Statement

The officers of the Trustee, Old Knox Grammarians Association Inc declare that:

1. the financial statements and notes, as set out on pages 3 to 10 present fairly the Trust's financial position as at 31 October 2022 and of the performance for the financial year ended on that date of the Trust in accordance with Australian Accounting Standards – Simplified Disclosures and other mandatory professional reporting requirements;
2. in the Trustees' opinion there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable

This declaration is made in accordance with a resolution of the committee of members of the Trustee.



Robert Johnson

President of the Trustee



David Sharp

Treasurer of the Trustee

Dated this 21st day of February 2023

Independent Auditor's Report to the Members of OKGA Endowment Trust

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of OKGA Endowment Trust (the Trust), which comprises the statement of financial position as at 31 October 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Trustee's statement.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Trust as at 31 October 2022 and its financial performance and its cash flows for the year then ended in accordance with the Australian Accounting Standards - Simplified Disclosures.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the 'auditor's responsibilities for the audit of the financial report' section of our report. We are independent of the Trust in accordance with the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Trustee's responsibility for the financial report

The Trustee of the Trust is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Trust Deed. The Trustee is also responsible for such internal control as the Trustee determine is necessary to enable the preparation 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 Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibility for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at The Australian Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

The Nexia logo is written in a blue, cursive script font.

Nexia Sydney Audit Pty Limited

A blue ink signature in cursive script, appearing to read 'Lester Wills'.

Lester Wills

Director

Dated: 21 February 2023

OKGA Endowment Trust

Income and Expenditure Statement For the year ended 31 October 2022

	2022 \$	2021 \$
INCOME		
Interest	2,672	2,869
Dividends and distributions	68,804	39,168
(Decrease)/increase in the market value of Investment	(84,726)	253,709
Donations received		-
	<u>(13,250)</u>	<u>295,746</u>
LESS EXPENSES		
Scholarships & Bursaries	52,695	54,710
Management fees	6,482	7,055
Legal Fees	3,300	1,194
TOTAL EXPENSES	<u>62,477</u>	<u>62,959</u>
OPERATING (LOSS) / PROFIT BEFORE TAX	<u>(75,727)</u>	<u>232,787</u>