

**Young Australia League Ltd As Trustee For
The Young Australia League JJ “Boss” Simons
Charitable Endowment Trust**

ABN 43 659 799 029

**Financial Report
For the 18 month period ended
31 December 2022**

The Young Australia League JJ "Boss" Simons Charitable Endowment Trust

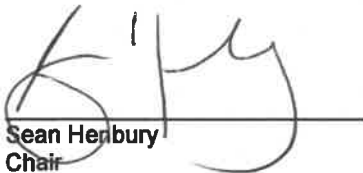
Trustee's Declaration

The Directors of the Trustee entity, Young Australia League Ltd, 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 to the financial statements.


The Directors of the Trustee entity declare that:

- (i) The financial report, as attached, presents fairly the trust's financial position as at 31 December 2022 and its performance for the 18 month period ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;**
- (ii) In the trustee's opinion, there are reasonable grounds to believe that the trust will be able to pay its debts as and when they become due and payable.**

This declaration is made for and on behalf of Young Australia League Ltd (Trustee)



Sean Herbury
Chair



Michael Wainwright
Treasurer

Dated this 27th day of March 2023

**The Young Australia League JJ “Boss” Simons Charitable Endowment Trust
Contents
31 December 2022**

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General information

The financial statements cover Young Australia League JJ “Boss” Simons Charitable Endowment Trust. The financial statements are presented in Australian dollars, being the functional and presentation currency of the Trust.

Registered office

Suite 3
45 Murray Street
Perth WA 6000

Principal place of business

Suite 3
45 Murray Street
Perth WA 6000

The financial statements were authorised for issue, in accordance with a resolution by directors of the Trustee, on 27 March 2023. The directors have the power to amend and reissue the financial statements.

**The Young Australia League JJ “Boss” Simons Charitable Endowment Trust
Statement of profit or loss and other comprehensive Income
For the 18 month period ended 31 December 2022**

	18 month period ended	12 month period ended
Note	31 Dec 2022	30 June 2021
	\$	\$
Revenue		
Donations received	1,697	2,559
Sponsorship income	24,000	34,750
Investment Revenue	119,675	80,544
Increase in market value of investment portfolio	-	299,380
Profit on sale of investments	149,385	
	<u>294,757</u>	<u>417,233</u>
Expenses		
Administrative Expenses	(17,550)	(25,429)
Communications	-	(978)
Consumables	-	(3,032)
Investments market value decrease	(199,059)	
Services and Contracts	(81,074)	(72,827)
	<u>(297,683)</u>	<u>(102,266)</u>
Surplus/(deficit) for the period	(2,926)	314,967
Other comprehensive income	-	-
Total comprehensive income/(loss) for the period	<u>(2,926)</u>	<u>314,967</u>

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

The Young Australia League JJ "Boss" Simons Charitable Endowment Trust
Statement of financial position
As at 31 December 2022

	Note	31 December 2022 \$	30 June 2021 \$
Assets			
Current assets			
Cash and cash equivalents	2	380,555	136,616
Trade and other receivables	3	15	7,800
Investments		<u>1,625,936</u>	<u>1,886,377</u>
Total current assets		<u>2,006,506</u>	<u>2,030,793</u>
Total assets			
		<u>2,006,506</u>	<u>2,030,793</u>
Liabilities			
Current liabilities			
Trade and other payables	4	3,200	16,560
Related party loan		-	8,000
Total current liabilities		<u>3,200</u>	<u>24,560</u>
Total liabilities			
		<u>3,200</u>	<u>24,560</u>
Net assets			
		<u>2,003,306</u>	<u>2,006,233</u>
Members' Funds			
Retained surpluses	5	<u>2,003,306</u>	<u>2,006,233</u>
Total Members' Funds		<u>2,003,306</u>	<u>2,006,233</u>

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

The Young Australia League JJ “Boss” Simons Charitable Endowment Trust
Statement of changes in equity
For the 18 month period ended 31 December 2022

	Retained Surplus \$
Balance at 1 July 2020	1,691,266
Surplus for the year attributable to members of the entity	<u>314,967</u>
Closing balance at 30 June 2021	<u><u>2,006,233</u></u>

	Retained Surplus \$
Balance at 1 July 2021	2,006,233
Deficit for the 18 month period attributable to members of the entity	<u>(2,926)</u>
Balance at 31 December 2022	<u><u>2,003,306</u></u>

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

The Young Australia League JJ "Boss" Simons Charitable Endowment Trust
Statement of cash flows
For the 18 month period ended 31 December 2022

	18 month period ended 31 December 2022 \$	12 month period ended 30 June 2021 \$
Cash flows from operating activities		
Donations received	1,697	2,559
Other receipts	23,600	27,950
Payments to suppliers (inclusive of GST)	(11,075)	(57,241)
Scholarship payments	(82,000)	(57,229)
GST refund/(paid)	772	5,015
Net cash from operating activities	7 <u>(67,006)</u>	<u>(78,946)</u>
Cash flows from investing activities		
Net investment portfolio receipts	114,872	80,516
Interest received	4,558	30
Payments for property, plant and equipment	-	-
Investment Portfolio Sales	1,214,420	-
Investment Portfolio Purchases	<u>(1,014,905)</u>	<u>-</u>
Net cash (used in)/from investing activities	<u>318,945</u>	<u>80,546</u>
Proceeds/(repayment of) from Borrowings	<u>(8,000)</u>	<u>8,000</u>
Net cash from/(used in) financing activities	<u>(8,000)</u>	<u>8,000</u>
Net increase in cash and cash equivalents	243,939	9,600
Cash and cash equivalents at the beginning of the financial period	<u>136,616</u>	<u>127,016</u>
Cash and cash equivalents at the end of the financial period	2 <u><u>380,555</u></u>	<u><u>136,616</u></u>

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

The Young Australia League JJ “Boss” Simons Charitable Endowment Trust
Notes to the financial statements
For the 18 month period ended 31 December 2022

Note 1. Significant accounting policies

This financial report covers The Young Australia League JJ “Boss” Simons Charitable Endowment Trust (Trust) as an individual entity which is established and domiciled in Australia.

Basis of accounting

The directors of the trustee entity have prepared the financial statements of the trust on the basis that the trust is a non-reporting entity because there are no users dependent on general purpose financial statements.

This special purpose financial report has been prepared to satisfy the financial reporting requirements of the Trust Deed.

The financial report has been prepared in accordance with the recognition of measurements and classification requirements of the Australian Accounting Standards and the disclosure requirements of the following accounting standards, which the directors of the trustee entity have determined are appropriate to meet the needs of trust deed.

AASB 101 – Presentation of Financial Statements
AASB 107 – Statement of Cash Flows
AASB 108 – Accounting Policies, changes in Accounting Estimates and Errors
AASB 1048 – Interpretation of Standards
AASB 1054 – Australian Additional Disclosures

The financial report, except for the cash flow information, has been prepared on an accruals basis and are based on historic costs and do not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The financial report has been prepared on a going concern basis and is presented in Australian dollars.

The accounting policies are consistent with the previous year.

New Accounting Standards and Interpretations issued but not yet effective

There are a number of standards, amendments to standards and interpretations which have been issued by the AASB that are effective in future accounting periods that the Association has decided not to early adopt. The Association is currently assessing the impact of these new accounting standards and amendments. The most significant of these is as follows:

- AASB 2020-1: *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current*
- AASB 2021-2: *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates*
- AASB 2021-6: *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies Tier 2 and Other Accounting Standards*
- AASB 2022-1: *Amendments to Australian Accounting Standards – Initial Application of AASB 17 and AASB 9 – Comparative Information*

When these amendments are first adopted for the year ending 31 December 2023, there will be no material impact on the financial statements.

The Financial report has also been prepared in accordance with the significant accounting policies disclosed below, which the trustee has determined are appropriate to meet the needs of the Trust Deed.

The material accounting policies that have been adopted in the preparation of this report are as follows:

The Young Australia League JJ "Boss" Simons Charitable Endowment Trust
Notes to the financial statements
For the 18 month period ended 31 December 2022

Statement of Significant Accounting Policies

(a) Income Tax

The Young Australia League JJ "Boss" Simons Charitable Endowment Trust is exempt from income tax.

(b) Plant & Equipment

Plant and equipment is included at cost less, where applicable, any accumulated depreciation.

The depreciation amount of all assets is depreciated over their useful lives of the assets to the Trust commencing from the time the asset is held ready for use.

(c) Cash and Cash Equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term investments.

(d) Revenue

Revenue comprises donations, interest received and dividend income.

Donations

Donations collected are recognised as revenue when the Trust gains control, economic benefits are probable and the amount of the donation can be measured reliably.

Interest revenue

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 year 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.

Dividend income

Dividend income is recognised when the right to receive payment is established.

(e) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Trust's business model for managing them.

With the exception of trade receivables that do not contain a significant financing component or for which the Trust has applied the practical expedient, the Trust initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Trust's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)

The Young Australia League JJ “Boss” Simons Charitable Endowment Trust
Notes to the financial statements
For the 18 month period ended 31 December 2022

- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss.

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Trust. The Trust measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Trust's financial assets at amortised cost includes cash and cash equivalents and trade and other receivables.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes derivative instruments and listed equity investments which the Trust had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are also recognised as other income in the statement of profit or loss when the right of payment has been established.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired; or
- The Trust has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Trust has transferred substantially all the risks and rewards of the asset, or (b) the Trust has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Trust has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of the asset, nor transferred control of the asset. The Trust continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Trust also recognises an associated liability.

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Trust has retained.

Impairment of financial assets

The Trust recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Trust expects to receive, discounted at an approximation of the original effective interest rate.

The Young Australia League JJ “Boss” Simons Charitable Endowment Trust
Notes to the financial statements
For the 18 month period ended 31 December 2022

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Trust applies a simplified approach in calculating ECLs. Therefore, the Trust does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Trust has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Trust considers a financial asset in default when contractual payments are 120 days past due. However, in certain cases, the Trust may also consider a financial asset to be in default when internal or external information indicates that the Trust is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Trust. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(ii) **Financial liabilities**

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss loans and borrowings, and payables.

All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable transaction costs.

The Trust's financial liabilities include trade and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Trade and other payables

These amounts represent liabilities for goods and services provided to the Trust prior to the end of financial year which are unpaid. Terms and conditions of trade on trade and other payables are determined by such factors, but not limited to, individual supplier agreements, type and availability of product and seasonality. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(f) **Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. Receivables and payables in the statement of financial position are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

(g) **Comparative Figures**

Where necessary, comparative figures have been adjusted to conform to changes in the presentation for the current financial year.

The Young Australia League JJ "Boss" Simons Charitable Endowment Trust
Notes to the financial statements
For the 18 month period ended 31 December 2022

Note 2. Cash and cash equivalents

	31 December 2022	30 June 2021
	\$	\$
Cash at CBA	5,543	6,730
Cash at Macquarie	10,077	117,269
Cash at Macquarie (Hilary)	8,259	12,617
Cash at Macquarie Accelerator	356,676	-
	<u>380,555</u>	<u>136,616</u>

Note 3. Trade and other receivables

	31 December 2022	30 June 2021
	\$	\$
Sponsorships Committed	-	7,000
BAS receivable	15	800
	<u>15</u>	<u>4,423</u>

Note 4. Trade and other payables

	31 December 2022	30 June 2021
	\$	\$
Trade payables	-	60
Accrued Expenses	3,200	3,500
Scholarship Liability	-	13,000
	<u>3,200</u>	<u>16,560</u>

Note 5. Retained surplus

	31 December 2022	30 June 2021
	\$	\$
Retained surpluses at the beginning of the financial period	2,006,233	1,691,266
Surplus after income tax expense for the period	(2,926)	314,967
Retained surpluses at the end of the financial period	<u>2,003,306</u>	<u>2,006,233</u>

Note 6. Contingent liabilities

There was no contingent liability existent as at the reporting date.

Young Australia League Limited
Notes to the financial statements
For the 18 month period ended 31 December 2022

Note 7. Cash flow reconciliation

	18 months ended 31 December 2022	12 months ended 30 June 2021
	\$	\$
Reconciliation of surplus/(deficit) to net cash flows from operations		
Surplus/(deficit) for the year	(2,926)	314,967
Adjustments to reconcile surplus for the period to net cash flows:		
Depreciation	-	25
(Increase)/decrease in market value – shares and managed funds	199,059	(299,380)
(gain)/loss on sale of investments	(149,385)	-
Income from investing activities	(119,430)	(80,546)
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(7,785)	(6,517)
Increase/(decrease) in trade and other payables	13,461	(7,495)
Net cash flows used in operations	(67,006)	(78,946)

Note 8. Remuneration of auditors

The auditor of the Trust for the 18 month period ended 31 December 2022 is Reliance Auditing Services (WA) Pty Ltd.

	18 months ended 31 December 2022	12 months ended 30 June 2021
	\$	\$
Audit services – Macri Partners		
Audit of the financial statements		3,500
Audit services – Reliance Auditing Services		
Audit of the financial statements	<u>4,200</u>	<u>-</u>

Note 9. Events after the reporting period

There was no event between the reporting date and the date of signing this report, which would otherwise have materially affected the reporting figures.

INDEPENDENT AUDITOR'S REPORT

To the Directors of the trustee company of The Young Australia League JJ "Boss" Simons Charitable Endowment Trust

Opinion

We have audited the financial report of The Young Australia League JJ "Boss" Simons Charitable Endowment Trust ('the Trust'), which comprises the statement of financial position as at 31 December 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period 1 July 2021 to 31 December 2022, and notes to the financial statements, including a summary of significant accounting policies and the Trustee's declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Trust as at 31 December 2022, and its financial performance and cash flows for the period then ended in accordance with the Australian Accounting Standards to the extent described in Note 1.

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 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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 for the purpose of fulfilling the Trust's financial reporting responsibilities under the Trust Deed. 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 Directors for the Financial Report

The Directors of the trustee company ('the Directors') are responsible for the preparation and fair presentation of the financial report in accordance with the Australian Accounting Standards to the extent described in Note 1 and for such internal control as Directors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Trust's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

Head Office

PO Box 767, West Perth WA 6872
Level 3 / 72 Kings Park Road, West Perth WA 6005

Melbourne

PO Box 670, North Melbourne VIC 3051

p 1300 291 060

e info@relianceauditing.com.au

w www.relianceauditing.com.au

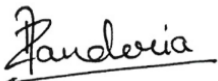
As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- 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 Trust'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's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust'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 Trust 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, 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.

Reliance Auditing Services

Reliance Auditing Services (WA) Pty Ltd



Naz Randeria
Managing Director
Perth
27 March 2023