

THE DIOCESAN ENDOWMENT

ABN 84 797 589 118

Annual financial report – 31 December 2023

Trustee: Glebe Administration Board

DIOCESAN ENDOWMENT

Statement of comprehensive income For the year ended 31 December 2023

	Notes	2023 \$	2022 \$
Revenue from continuing operations			
Income from interest, distributions and dividends		3,117,205	5,038,007
Net realised and unrealised gains/(losses) on financial instruments		8,145,434	(9,301,594)
Other income		87,987	170,177
Total revenue from continuing operations	3	11,350,626	(4,093,409)
Expenses			
Sydney Diocesan Services management fee		441,816	591,744
Professional fees		69,990	137,914
Insurance		103,530	100,601
Audit fees	15	39,192	43,350
Software		10,896	10,458
Other expenses		11,265	5,071
Total expenses		676,689	889,138
Surplus/(Deficit) from continuing operations		10,673,937	(4,982,547)
Other comprehensive income		-	-
Total comprehensive income/(loss) for the year		10,673,937	(4,982,547)

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

DIOCESAN ENDOWMENT

Statement of financial position As at 31 December 2023

	Notes	2023 \$	2022 \$
Current assets			
Cash and cash equivalents	4	10,490	10,765
Short-term financial assets	5	2,963,617	9,738,617
Receivables and other current assets	6	1,209,752	1,443,366
Loans	7	-	19,910
Total current assets		4,183,859	11,212,658
Non-current assets			
Mercer Fund at fair value through profit or loss	8	-	102,455,252
Long Term Pooling Fund at fair value through profit or loss	8	116,729,486	-
Total non-current assets		116,729,486	102,455,252
Total assets		120,913,345	113,667,910
Current liabilities			
Payables	9	43,500	71,002
Provisions	10	3,648,000	3,401,000
Total current liabilities		3,691,500	3,472,002
Total liabilities		3,691,500	3,472,002
Net assets		117,221,845	110,195,908
Funds			
Capital		36,173,046	36,173,046
Accumulated surplus	11	81,048,799	74,022,862
Total funds		117,221,845	110,195,908

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

DIOCESAN ENDOWMENT

Statement of changes in funds For the year ended 31 December 2023

	Notes	Capital	Accumulated surplus	Total
		\$	\$	\$
Balance 1 January 2022		36,173,046	82,406,409	118,579,455
Total comprehensive income		-	(4,982,547)	(4,982,547)
Provision for distribution during the year	10	-	(3,401,000)	(3,401,000)
Balance 31 December 2022		36,173,046	74,022,862	110,195,908
Total comprehensive income		-	10,673,937	10,673,937
Provision for distribution during the year	10	-	(3,648,000)	(3,648,000)
Balance 31 December 2023		36,173,046	81,048,799	117,221,845

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

DIOCESAN ENDOWMENT

Statement of cash flows For the year ended 31 December 2023

	Notes	2023 \$	2022 \$
Cash flows from operating activities			
Management and service fees		104,158	146,286
Interest and distributions received		223,624	109,353
Dividends and distributions		679,401	276,790
Payments to suppliers		(701,368)	(876,326)
Net cash inflow/(outflow) from operating activities	13	305,815	(343,897)
Cash flows from investing activities			
Proceeds from sale of financial assets		-	15,600,327
Payments for financial assets		(3,700,000)	(15,650,000)
Net decrease in loans provided		19,910	2,537,158
Net decrease in financial assets		6,775,000	1,196,315
Net cash inflow from investing activities		3,094,910	3,683,800
Cash flows from financing activities			
Distributions to Synod	10	(3,401,000)	(3,345,000)
Net cash (outflow) from financing activities		(3,401,000)	(3,345,000)
Net (decrease)/increase in cash held		(275)	(5,097)
Cash and cash equivalents at the beginning of the year		10,765	15,862
Cash and cash equivalents at the end of the year	4	10,490	10,765

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

1. Purpose

Glebe Administration Board is an incorporated body created by the *Glebe Administration Ordinance 1930* in accordance with the *Anglican Church of Australia (Bodies Corporate) Act 1938*. The purpose of Glebe Administration Board is to advance the purposes of the Anglican Church of Australia in the Diocese of Sydney by managing and controlling the property of the Diocesan Endowment (the "DE") in accordance with the terms of the trusts on which that property is held and by managing and controlling other property of which it is trustee from time to time in accordance with the terms of the relevant trusts.

The financial statements presented in this annual report record the DE's assets and liabilities, revenue and expenses that have been entered into by Glebe Administration Board as trustee for the DE. In these financial statements the DE is also referred to as the "entity".

By clause 4 of the Diocesan Endowment Trust Ordinance 2016 :

- (a) The DE is held on trust for the purposes of the Anglican Church of Australia in the Diocese of Sydney.
- (b) Glebe Administration Board, as trustee of the DE, is to act in a way which preserves the real value of the DE and, subject to this requirement, enables distributions to be paid to the Standing Committee each year to be applied in accordance with the determination or direction of the Synod.

2. Summary of significant accounting policies

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

(a) Basis of preparation

In the opinion of the members of Glebe Administration Board (as appointed by the Standing Committee of the Synod of the Anglican Church Diocese of Sydney) as Trustee for the DE, the entity is not a reporting entity because there are no users dependent on a general purpose financial report. These are special purpose financial statements that have been prepared for the purpose of complying with the *Glebe Administration Ordinance 1930*, the *Diocesan Endowment Trust Ordinance 2016*, and the *Accounts, Audits and Annual Reports Ordinance 1995* requirements to prepare and distribute financial statements to the members of the Standing Committee of the Synod of the Anglican Church Diocese of Sydney and to the members of the Glebe Administration Board and must not be used for any other purpose.

The financial statements have been prepared in accordance with the recognition and measurement principles of Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board.

The members of Glebe Administration Board as Trustee for the DE have determined that the accounting policies adopted are appropriate to meet the needs of the members of the Standing Committee of the Synod of the Anglican Church Diocese of Sydney. The financial statements contain only those disclosures considered necessary by the Trustee to meet the needs of the above named specified users.

The DE is a not-for-profit entity for the purpose of preparing these financial statements.

2. Summary of significant accounting policies (cont)

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities at fair value through profit or loss.

(b) Foreign currency translation

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Australian dollars, which is the entity's functional and presentation currency.

(c) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Investment fund distributions

Investment fund distributions are brought to account as income when equities and units are quoted "ex distribution".

Franking credits

Franking credits refundable by the Australian Taxation Office are brought to account as income when receivable. Franking credits attributed to the entity through investment in managed funds are brought to account as income on receipt of annual tax distribution statements.

Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

(d) Income tax

Glebe Administration Board, as trustee for the DE, is exempt from income tax under Section 50-5 of the *Income Tax Assessment Act 1997* and no provision has been made in respect thereof.

(e) Cash and cash equivalents

For cash flow presentation purposes, cash and cash equivalents include the current account with SDS, 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 and bank overdrafts.

2. Summary of significant accounting policies (cont)

(f) Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Accounts receivables are due for settlement no more than 30 days from the date of recognition.

(g) Financial assets

The entity classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those to be measured at amortised cost.

The entity has classified financial assets based on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

(i) *Financial assets at fair value through profit and loss*

Financial assets that do not qualify for measurement at either amortised cost (see note 2(g)(ii) below) or fair value through other comprehensive income (FVOCI) are classified as financial assets at fair value through profit or loss (FVPL).

For assets measured at fair value, gains and losses are recorded in profit or loss.

"Regular way" purchases and sales of financial assets are recognised on trade date, being the date on which the entity commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the entity has transferred substantially all the risks and rewards of ownership.

At initial recognition, the Fund measures a financial asset at its fair value. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

(ii) *Financial assets at amortised cost*

Short-term investments are financial assets at amortised cost. They include unsecured loans to the Diocesan Cash Investment Fund (DCIF). The purpose of these investments is to collect contractual cash flows that are solely payments of principal and interest. They are measured at amortised cost.

At initial recognition, the entity measures these financial assets at their fair value plus transaction costs that are directly attributable to the acquisition of the financial assets.

Purchases and sales of financial assets are recognised on trade date, being the date on which the entity commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the entity has transferred substantially all the risks and rewards of ownership.

Interest income from these financial assets is included in the statement of comprehensive income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses).

2. Summary of significant accounting policies (cont)

(h) Impairment of financial assets

The entity has two types of financial assets that are subject to the expected credit loss model:

- trade receivables from related entities from the provision of services.
- financial assets carried at amortised cost.

While cash and cash equivalents are also subject to the impairment requirements of AASB 9, the identified impairment loss was immaterial.

The entity applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

The entity assesses on a forward-looking basis the expected credit losses associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Financial assets at amortised cost are considered to have low credit risk, and the identified impairment loss was immaterial. The entity considers the financial assets are 'low credit risk' because of low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

(i) Loans

Loans are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date, which are classified as non-current assets. All known bad debts are written off against the provision in the year in which they are identified.

(j) Fair value estimation

Financial assets at fair value through profit and loss are subsequently carried at fair value. Loans are carried at amortised cost using the effective interest method. Realised and unrealised gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the income statement in the period in which they arise.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the entity establishes fair value by using valuation techniques. These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same and discounted cash flow analysis.

Units in the Long Term Pooling Fund are unlisted and valued by that fund based on the fair value of investments.

The entity assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired.

The loan funds with DCIF are an unsecured loan held at fair value through profit or loss from which payments of principal and distributions are received on a periodical basis. The fair value of the loans is determined to be the loan balance and no fair value movement is recognised.

2. Summary of significant accounting policies (cont)

(k) Other payables

These amounts represent liabilities for goods and services provided to the entity prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(l) Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued.

The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* and the amount initially recognised less cumulative amortisation, where appropriate.

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee.

Where guarantees in relation to loans or other payables of subsidiaries or associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

(m) Distributions

Provision is made for the amount of any distribution required, determined or recommended by the Trustee or by application of ordinance, on or before the end of the year but not distributed at balance date.

Refer to note 10 for details of the provision for distribution made.

(n) Goods and services tax (GST)

The entity is a member of the Sydney Diocesan Services GST Group.

Revenue, expenses and assets are recognised net of the amount of GST, except where the amount of GST is not recoverable from the Australian Taxation Office (ATO). In these circumstances it is recognised as part of the cost of 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 ATO is included with other receivables or payables in the balance sheet.

3. Revenue

	2023 \$	2022 \$
Revenue from continuing operations		
Property related investments:		
Fund distributions	-	2,464,290
Net realised and unrealised gains	705,654	797,663
Income from property related investments	705,654	3,261,953
Interest related investments and DCIF distributions:		
Interest, fund distributions and DCIF distributions	195,767	128,364
Net realised and unrealised gains/(losses)	274,289	(3,424,758)
Income/(loss) from interest related investments and DCIF distributions	470,056	(3,296,394)
Income from loans and mortgages	674	41,489
Equity related investments:		
Fund distributions	249,448	2,403,864
Net realised and unrealised gains/(losses)	4,411,361	(6,674,499)
Income from equity related investments	4,660,809	(4,270,635)
Long Term Pooling Fund investments:		
Fund distributions	2,671,316	-
Net realised and unrealised gains	2,754,130	-
Income from LTPF investments	5,425,446	-
Total investment income	11,262,639	(4,263,587)
Other income:		
Rebate of fund administration fees	87,987	170,177
Total other income	87,987	170,177
Total revenue from continuing operations	11,350,626	(4,093,409)

Fund distributions for equity related investments include franking credits of \$249,448 (2022: \$679,401).

4. Current assets - Cash and cash equivalents

	2023 \$	2022 \$
Sydney Diocesan Services Current account	10,490	10,765

5. Current assets – Short-term financial assets

	2023 \$	2022 \$
Unsecured loan to Diocesan Cash Investment Fund	2,963,617	9,738,617

The loan funds with DCIF are held at fair value through profit or loss.

6. Current assets – Receivables and other current assets

	2023 \$	2022 \$
Distributions and franking credits	1,170,527	1,357,963
Prepayments	4,725	4,725
Accrued interest	34,396	61,580
Other	104	19,098
	1,209,752	1,443,366

There were no receivables which were past due or impaired.

7. Current assets – Loans

	2023 \$	2022 \$
Loans - unsecured	-	19,910
	-	19,910

8. Non-current assets - Financial assets at fair value through profit or loss

	Notes	2023 \$	2022 \$
Equity investments			
Unlisted managed investment schemes (at cost)		-	45,797,902
Fair value adjustment		-	8,169,804
Total unlisted equities at fair value		-	53,967,706
Property investments			
Unlisted property investments (at cost)		-	20,421,954
Fair value adjustment		-	2,159,165
Total unlisted property investments at fair value		-	22,581,119
Interest investments			
Unlisted interest investment (at cost)		-	30,071,371
Fair value adjustment		-	(4,164,944)
Total unlisted interest investments		-	25,906,427
Managed investments - Long Term Pooling Fund			
	(a)		
Long Term Pooling Fund (at cost)		113,975,356	-
Long Term Pooling Fund (fair value adjustment)		2,754,130	-
Total Long Term Pooling Fund		116,729,486	-
Summary:			
Equity investments		-	53,967,706
Property investments		-	22,581,119
Interest investments		-	25,906,427
Managed investments - Long Term Pooling Fund		116,729,486	-
		116,729,486	102,455,252

Note (a): In June 2023, the DE invested the majority of its funds in the Long Term Pooling Fund ("LTPF") via an in-specie transfer of its investment assets into the LTPF in return for units in the LTPF.

9. Current liabilities - Payables

	2023	2022
	\$	\$
Accounts payable and accruals	43,500	71,002

10. Current liabilities - Provisions

	2023	2022
	\$	\$
Provision for distribution		
Balance 1 January	3,401,000	3,345,000
Provided during the period	3,648,000	3,401,000
	7,049,000	6,746,000
Paid during the period to Synod	(3,401,000)	(3,345,000)
Balance 31 December	3,648,000	3,401,000

The Standing Committee has approved a distribution of \$3,648,000 for 2024.

11. Accumulated surplus

	2023	2022
	\$	\$
Balance 1 January	74,022,862	82,406,409
Surplus/(Deficit)	10,673,937	(4,982,547)
Provisions for distribution during the year	(3,648,000)	(3,401,000)
Balance 31 December	81,048,799	74,022,862

12. Related party transactions

Ultimate control vests with Synod through the sanctioning of governing Ordinances. Transactions between the entity and other Diocesan Funds are carried out on a commercial basis. The nature of related party transactions involving the entity are disclosed in the financial statements.

The following persons held office as a member of the Trustee during part or all of the year and up to the date of this report:

Mr M Clancy	Mr G Hammond OAM (Retired 24 November 2023)
Ms C Hawkins AM	Bishop M Stead
Mr D Wong (Retired 11 September 2023)	Mr D Sietsma
Ms E Horton	The Rev M Wormell
Ms R Williams (Appointed 13 February 2023)	Mr J Ng (Appointed 27 March 2023)

During 2023 key management personnel also included the following executives below who had the greatest authority for the strategic direction and management of the entity.

<i>Name</i>	<i>Position</i>
Mr R J Wicks	Chief Executive Officer
Mr J K P Lau	Chief Financial Officer
Mr I J Kuruvilla	Head of Investments

The members of Glebe Administration Board as trustee of the entity receive no remuneration. Key management personnel compensation is paid by Sydney Diocesan Services and is recovered through a cost recovery charge to the DE.

Glebe Administration Board is also the trustee of the Long Term Pooling Fund (LTPF) and the Diocesan Cash Investment Fund (DCIF) with which the DE holds loan funds and investments and from which distributions are received. Refer below.

12. Related party transactions (cont)

Related party transactions

The following other related party transactions occurred during the year:

- (i) The entity was charged a management fee of \$441,816 (2022: \$591,744) by the Sydney Diocesan Services.
- (ii) The entity held \$10,490 (2022: \$10,765) in a current account with the Sydney Diocesan Services. Interest earned on the current account was \$Nil.
- (iii) At 31 December 2023 an unsecured loan was provided to DCIF for \$2,963,617 (2022: \$9,738,617). Interest earned in respect of this loan was \$187,115 (2022: \$127,807).
- (iv) At 31 December 2023 investments units valued at \$116,729,486 were held in LTPF and distributions from LTPF of \$2,671,316 were received in 2023.

13. Reconciliation of surplus to the net cash flows from operating activities

	2023 \$	2022 \$
Surplus/(Deficit) from continuing operations	10,673,937	(4,982,547)
Net realised and unrealised (gain)/loss on investments	(8,145,434)	9,301,596
Dividends and distributions reinvested	(2,428,800)	(4,144,035)
Changes in assets and liabilities		
Decrease/(Increase) in receivables	233,614	(534,610)
(Decrease)/Increase in payables	(27,502)	15,699
Net cash inflow/(outflow) from operating activities	305,815	(343,897)

14. Contingent liabilities and assets

A guarantee has been given to Westpac Banking Corporation by the entity for overdraft accommodation up to \$1,200,000 granted to Sydney Diocesan Services. No losses are expected from this guarantee.

15. Remuneration of auditors

The audit fee expense for 2023 is \$39,192 (2022: \$43,350).

16. Events occurring after reporting date

The Trustee is not aware of any events occurring after reporting date that impact on the financial statements as at 31 December 2023.

This financial report was authorised for issue on 12 June 2024 by the Trustee.

GLEBE ADMINISTRATION BOARD

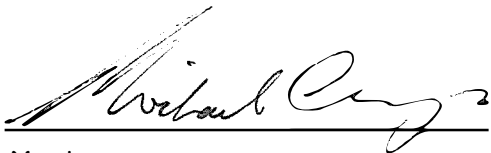
MEMBERS' DECLARATION

The members of the Glebe Administration Board as Trustee for the Diocesan Endowment declare that the financial statements and notes set out on pages 2 to 17:

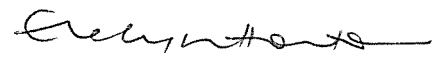
- (a) comply with the *Glebe Administration Ordinance 1930*, the *Diocesan Endowment Trust Ordinance 2016*, and the *Accounts, Audits and Annual Reports Ordinance 1995*;
- (b) give a true and fair view of the entity's financial position as at 31 December 2023 and of its performance, as represented by the results of its operations and its cash flows, for the year ended on that date.

In the members' opinion there are reasonable grounds to believe that the entity 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 members.


Member

12 June 2024


Member

12 June 2024

Independent Auditor's Report

To the members of the Glebe Administration Board as Trustee of the
Diocesan Endowment

Report on the audit of the financial report

Opinion

We have audited the accompanying financial report of the Glebe Administration Board as Trustee of Diocesan Endowment (the "Entity"), which comprises the statement of financial position as at 31 December 2023, the statement of comprehensive income, statement of changes in funds 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 members' declaration.

In our opinion, the financial report of Diocesan Endowment has been prepared in accordance with the *Glebe Administration Ordinance 1930*, the *Diocesan Endowment Trust Ordinance 2016* and the *Accounts, Audits and Annual Reports Ordinance 1995*, including:

1. giving a true and fair view of the Entity's financial position as at 31 December 2023 and of its financial performance for the year then ended;
2. complying with Australian Accounting Standards to the extent described in Note 2.

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 Registered Entity 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 2 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purposes of fulfilling the Entity's financial reporting responsibilities under the *Glebe Administration Ordinance 1930*, the *Diocesan Endowment Trust Ordinance 2016* and the *Accounts, Audits and Annual Reports Ordinance 1995*. 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 members for the financial report

The Trustee is responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 2 to the financial report is appropriate to meet the requirements of the *Glebe Administration Ordinance 1930*, the *Diocesan Endowment Trust Ordinance 2016* and the *Accounts, Audits and Annual Reports Ordinance 1995*, and for such internal control as the Trustee determines 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 Entity'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 members either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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.

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 Entity'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 Trustee'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 Entity'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 Entity 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 those charged with governance 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.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

James Winter

James Winter
Partner – Audit & Assurance
Sydney, 12 June 2024