



# Susan McKinnon Foundation

ABN: 28 739 100 711

Trustee: Susan McKinnon Philanthropy Pty Ltd

ACN: 605 221 814

## Financial report

For the year ended 30 June 2023

*Pitcher Partners*

Level 13, 664 Collins Street, Docklands VIC 3008

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**SUSAN MCKINNON FOUNDATION**

**ABN: 28 739 100 711**

**DIRECTORS' REPORT**

The Directors of the Trustee present their report together with the financial report of Susan McKinnon Foundation, the "Trust", for the year ended 30 June 2023 and auditor's report thereon.

**Directors names**

The names of the Directors in office at any time during or since the end of the year are:

Grant Rule

Michael Schoenfeld

The Directors have been in office since the start of the year to the date of this report unless otherwise stated.

**Results**

The surplus of the Trust for the year amounted to \$39,015,688 (2022 deficit: (\$79,053,638)).

**Review of operations**

The Trust continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

**Significant changes in state of affairs**

There were no significant changes in the Trust's state of affairs that occurred during the financial year, other than those referred to elsewhere in this report.

**Principal activities**

The principal activity of the Trust during the year was providing grants to fund projects to support organisations whose work and focus strategically align with the desire to enable far-reaching policy and governance change.

No significant change in the nature of these activities occurred during the year.

**After balance date events**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Trust, the results of those operations, or the state of affairs of the Trust in future financial years.

**Likely developments**

The Trust expects to maintain the present status and level of operations.

**SUSAN MCKINNON FOUNDATION**  
**ABN: 28 739 100 711**

**DIRECTORS' REPORT**

**Environmental regulation**

The Trust's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

**Indemnification of officers**

During or since the end of the year, the Trust has given indemnity or entered an agreement to indemnify, or paid or agreed to pay insurance premiums in order to indemnify the Directors of the Trustee of the Trust.

**Indemnification of auditors**

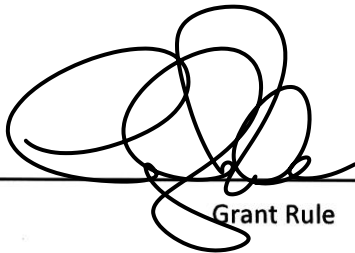
No indemnities have been given or insurance premiums paid, during or since the end of the year, for any person who is or has been an auditor of the Trust.

**Auditor's independence declaration**

A copy of the auditor's independence declaration in relation to the audit for the financial year is provided with this report.

Signed on behalf of the Board of Directors.

Director: \_\_\_\_\_



Grant Rule

Director: \_\_\_\_\_



Michael Schoenfeld

Dated this 30 day of November 2023

SUSAN MCKINNON FOUNDATION  
ABN: 28 739 100 711

AUDITOR'S INDEPENDENCE DECLARATION  
TO THE UNITHOLDERS OF SUSAN MCKINNON FOUNDATION

In relation to the independent audit for the year ended 30 June 2023, to the best of my knowledge and belief there have been no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.



K L BYRNE

Partner

Date: 30 November 2023



PITCHER PARTNERS

Melbourne

**SUSAN MCKINNON FOUNDATION**

ABN: 28 739 100 711

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023 \$	2022 \$
<b>Revenue and other income</b>			
Investment income	2	66,885,984	8,243,652
Other income	2	<u>4,514,878</u>	<u>4,307,944</u>
		<u>71,400,862</u>	<u>12,551,596</u>
Net realised loss on sale of investments		-	(59,017,395)
Investment advice fees		<u>(180,928)</u>	<u>(287,659)</u>
Net investment income / (loss)		<u>71,219,934</u>	<u>(46,753,458)</u>
<b>Operating expenses</b>			
Employee benefits expense		(264,396)	(605,294)
Director and committee fees		(33,750)	-
Consulting and contractor fees		(568,212)	(332,745)
Professional and legal fees		(77,757)	(184,883)
Group service recharge fees		(155,077)	(90,115)
Other expenses		<u>(105,050)</u>	<u>(87,139)</u>
		<u>(1,204,242)</u>	<u>(1,300,176)</u>
<b>Surplus / (deficit) for the year before grants</b>		70,015,692	(48,053,634)
Grants distributions		<u>(31,000,004)</u>	<u>(31,000,004)</u>
<b>Surplus / (deficit) for the year</b>		<u>39,015,688</u>	<u>(79,053,638)</u>
<b>Other comprehensive income for the year</b>		-	-
<b>Total comprehensive income / (loss)</b>		<u>39,015,688</u>	<u>(79,053,638)</u>

The accompanying notes form part of these financial statements.

**SUSAN MCKINNON FOUNDATION**  
**ABN: 28 739 100 711**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2023**

	Note	2023 \$	2022 \$
<b>Current assets</b>			
Cash and cash equivalents	3	18,734,989	56,651,403
Receivables	4	1,832,868	212,020
Other financial assets	5	137,597,905	17,376,269
Other assets	6	<u>7,989,013</u>	<u>362,925</u>
<b>Total current assets</b>		<u>166,154,775</u>	<u>74,602,617</u>
<b>Non-current assets</b>			
Other financial assets	5	403,396,802	455,778,233
Plant and equipment	7	<u>9,618</u>	<u>11,155</u>
<b>Total non-current assets</b>		<u>403,406,420</u>	<u>455,789,388</u>
<b>Total assets</b>		<u>569,561,195</u>	<u>530,392,005</u>
<b>Current liabilities</b>			
Payables	8	248,612	87,593
Provisions	9	<u>63,611</u>	<u>71,128</u>
<b>Total current liabilities</b>		<u>312,223</u>	<u>158,721</u>
<b>Total liabilities</b>		<u>312,223</u>	<u>158,721</u>
<b>Net assets</b>		<u>569,248,972</u>	<u>530,233,284</u>
<b>Trust funds</b>			
Trust funds	10	10	10
Accumulated surplus	11	<u>569,248,962</u>	<u>530,233,274</u>
<b>Total trust funds</b>		<u>569,248,972</u>	<u>530,233,284</u>

The accompanying notes form part of these financial statements.

**SUSAN MCKINNON FOUNDATION**  
**ABN: 28 739 100 711**

**STATEMENT OF CHANGES IN TRUST FUNDS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	Trust Funds	Accumulated surplus	Total equity
	\$	\$	\$
<b>Balance as at 1 July 2021</b>	10	609,286,912	609,286,922
Deficit for the year	-	(79,053,638)	(79,053,638)
<b>Total comprehensive income for the year</b>	-	(79,053,638)	(79,053,638)
<b>Balance as at 30 June 2022</b>	10	530,233,274	530,233,284
<b>Balance as at 1 July 2022</b>	10	530,233,274	530,233,284
Surplus for the year	-	39,015,688	39,015,688
<b>Total comprehensive income for the year</b>	-	39,015,688	39,015,688
<b>Balance as at 30 June 2023</b>	10	569,248,962	569,248,972

The accompanying notes form part of these financial statements.



**SUSAN MCKINNON FOUNDATION**  
**ABN: 28 739 100 711**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023	2022
		\$	\$
<b>Cash flow from operating activities</b>			
Receipts from donations and dividends and distributions		4,892,393	7,940,003
Management fee rebates and group service recharges		902,880	-
Payments to suppliers and employees		(1,189,067)	(1,190,644)
Grant payments		(31,000,004)	(31,000,004)
Interest received		<u>1,172,318</u>	<u>79,240</u>
<b>Net cash used in operating activities</b>		<u>(25,221,480)</u>	<u>(24,171,405)</u>
<b>Cash flow from investing activities</b>			
Proceeds from sale of investments		37,960,211	579,165,276
Payment for property, plant and equipment		(3,908)	(13,324)
Payment for investments		<u>(51,229,055)</u>	<u>(497,408,625)</u>
<b>Net cash (used in) / provided by investing activities</b>		<u>(13,272,752)</u>	<u>81,743,327</u>
<b>Reconciliation of cash</b>			
Cash at beginning of the financial year		56,651,403	2,090,120
Net (decrease) / increase in cash held		(38,494,232)	57,571,922
Foreign exchange differences		<u>577,818</u>	<u>(3,010,639)</u>
<b>Cash at end of financial year</b>		<u>18,734,989</u>	<u>56,651,403</u>

The accompanying notes form part of these financial statements.

**SUSAN MCKINNON FOUNDATION**

**ABN: 28 739 100 711**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The trustees have determined that the Trust is not a reporting entity on the basis that, in the opinion of the trustees, there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy, specifically, all of their information needs. Accordingly, this financial report is a special purpose financial report, which has been prepared to satisfy the financial reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial report covers Susan McKinnon Foundation as an individual entity. Susan McKinnon Foundation is a Trust, formed and domiciled in Australia. Susan McKinnon Foundation is a not-for-profit entity for the purpose of preparing the financial statements.

The financial report was approved by the Directors as at the date of the directors' report.

The financial report has been prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, the *Australian Charities and Not-for-profits Commission Regulations 2022*, the recognition and measurement requirements specified by all Australian Accounting Standards and Interpretations, and the disclosure requirements of:

AASB 101:	Presentation of Financial Statements
AASB 108:	Accounting Policies, Changes in Accounting Estimates and Errors
AASB 124:	Related Party Disclosures (to the extent required by the <i>Australian Charities and Not-for-profits Commission Regulations 2022</i> and the ACNC Commissioner's discretion)
AASB 1048:	Interpretation of Standards
AASB 1054:	Australian Additional Disclosures

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report:

**(a) Basis of preparation of the financial report**

*Historical Cost Convention*

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets and liabilities as described in the accounting policies.

**(b) Going concern**

The financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

**SUSAN MCKINNON FOUNDATION**  
**ABN: 28 739 100 711**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(c) Revenue and other income**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Trust and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

*Dividend and other distributions*

Dividend and other distribution revenue is recognised when the right to receive a dividend or other distribution has been established.

*Interest*

Interest revenue is measured in accordance with the effective interest method.

*Donations*

Donations are recognised as revenue when received. All financial investments donated to the Trust are recognised at their fair value at the date the Trust obtained control of the asset.

All revenue is measured net of the amount of goods and services tax (GST).

**(d) Income tax**

No provision for income tax has been raised as the Trust is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

**(e) Cash and cash equivalents**

Cash and cash equivalents include cash on hand and at banks, short-term deposits with an original maturity of three months or less held at call with financial institutions.

**(f) Plant and equipment**

Each class of plant and equipment is measured at cost less, where applicable, any accumulated depreciation and any accumulated impairment losses.

*Depreciation*

The depreciable amount of all other property, plant and equipment is depreciated over their estimated useful lives commencing from the time the asset is held available for use, consistent with the estimated consumption of the economic benefits embodied in the asset.

**SUSAN MCKINNON FOUNDATION**  
**ABN: 28 739 100 711**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(g) Employee benefits**

*(i) Short-term employee benefit obligations*

Liabilities arising in respect of wages and salaries, annual leave and other employee benefits (other than termination benefits) expected to be settled wholly before twelve months after the end of the reporting period are measured at the (undiscounted) amounts based on remuneration rates which are expected to be paid when the liability is settled. The expected cost of short-term employee benefits in the form of compensated absences such as annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables in the statement of financial position.

*(ii) Long-term employee benefit obligations*

The provision for other long-term employee benefits, including obligations for long service leave and annual leave, which are not expected to be settled wholly before twelve months after the end of the reporting period, are measured at the present value of the estimated future cash outflow to be made in respect of the services provided by employees up to the reporting date. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee turnover, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that are denominated in the currency in which the benefits will be paid. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the change occurs.

Other long-term employee benefit obligations are presented as current liabilities in the statement of financial position if the Trust does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur. All other long-term employee benefit obligations are presented as non-current liabilities in the statement of financial position.

**(h) Financial instruments**

*Initial recognition and measurement*

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the Trust commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value adjusted for transaction costs, except where the instrument is classified as fair value through profit or loss.

*Classification of financial assets*

Financial assets recognised by the Trust are subsequently measured in their entirety at either amortised cost or fair value, subject to their classification and whether the Trust irrevocably designates the financial asset on initial recognition at fair value through other comprehensive income (FVtOCI) in accordance with the relevant criteria in AASB 9.

**SUSAN MCKINNON FOUNDATION**  
**ABN: 28 739 100 711**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(h) Financial instruments (Continued)**

Financial assets not irrevocably designated on initial recognition at FVtOCI are classified as subsequently measured at amortised cost, FVtOCI or fair value through profit or loss (FVtPL) on the basis of both:

- (a) the Trust's business model for managing the financial assets; and
- (b) the contractual cash flow characteristics of the financial asset.

**(i) Goods and services tax (GST)**

Revenues, expenses and purchased assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**(j) Comparatives**

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>NOTE 2: REVENUE AND OTHER INCOME</b>		
Investment Income		
Dividend and distribution income	8,802,533	3,635,793
Interest income	1,172,318	79,240
Realised gains on sale of investments (net)	7,720,226	-
Unrealised gains / (losses) on investments at fair value through profit or loss	48,179,389	4,576,986
Foreign currency translation gain / (loss)	188,830	(228,544)
Other investment income	16,766	-
Redbridge Capital Trust management fee rebate	<u>805,922</u>	<u>180,177</u>
	<u>66,885,984</u>	<u>8,243,652</u>
Other income		
Donations received	4,500,000	4,301,852
Group services recharges	<u>14,878</u>	<u>6,092</u>
	<u>4,514,878</u>	<u>4,307,944</u>
	<u>71,400,862</u>	<u>12,551,596</u>

**SUSAN MCKINNON FOUNDATION**  
**ABN: 28 739 100 711**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>NOTE 3: CASH AND CASH EQUIVALENTS</b>		
Cash on hand	10	10
Cash at bank	<u>18,734,979</u>	<u>56,651,393</u>
	<u><u>18,734,989</u></u>	<u><u>56,651,403</u></u>
 <b>NOTE 4: RECEIVABLES</b>		
CURRENT		
Other receivables		
- GST input credits	241,637	10,632
- Other debtors	211,928	201,388
- Unsettled trades	<u>1,379,303</u>	<u>-</u>
	<u><u>1,832,868</u></u>	<u><u>212,020</u></u>
 <b>NOTE 5: OTHER FINANCIAL ASSETS</b>		
CURRENT		
<i>Financial assets at fair value through profit or loss</i>		
Listed investments	-	17,376,269
Private equity and venture capital	45,815,873	-
External funds	<u>91,782,032</u>	<u>-</u>
	<u><u>137,597,905</u></u>	<u><u>17,376,269</u></u>
 NON CURRENT		
<i>Financial assets at fair value through profit or loss</i>		
Investment in Redbridge Capital Trust	400,984,858	235,814,404
Private equity and venture capital	-	58,878,503
External funds	<u>2,411,944</u>	<u>161,085,326</u>
Total financial assets at fair value through profit and loss	<u><u>403,396,802</u></u>	<u><u>455,778,233</u></u>

**SUSAN MCKINNON FOUNDATION**  
**ABN: 28 739 100 711**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>NOTE 6: OTHER ASSETS</b>		
CURRENT		
Prepayments	3,750	-
Accrued income	7,976,329	353,991
Other current assets	<u>8,934</u>	<u>8,934</u>
	<u><u>7,989,013</u></u>	<u><u>362,925</u></u>
 <b>NOTE 7: PLANT AND EQUIPMENT</b>		
<b>Plant and equipment</b>		
Computer equipment at cost	20,525	16,617
Accumulated depreciation	<u>(10,907)</u>	<u>(5,462)</u>
Total property, plant and equipment	<u><u>9,618</u></u>	<u><u>11,155</u></u>
 <b>NOTE 8: PAYABLES</b>		
CURRENT		
<i>Unsecured liabilities</i>		
Trade creditors	175,924	41,464
Sundry creditors and accruals	<u>72,688</u>	<u>46,129</u>
	<u><u>248,612</u></u>	<u><u>87,593</u></u>
 <b>NOTE 9: PROVISIONS</b>		
CURRENT		
Employee benefits	(a) <u>63,611</u>	<u>71,128</u>
(a) Aggregate employee benefits liability	63,611	71,128
 <b>NOTE 10: TRUST FUNDS</b>		
Settled sum	<u><u>10</u></u>	<u><u>10</u></u>
 <b>NOTE 11: ACCUMULATED SURPLUS</b>		
Accumulated surplus at beginning of year	530,233,274	609,286,912
Net surplus / (deficit)	<u>39,015,688</u>	<u>(79,053,638)</u>
	<u><u>569,248,962</u></u>	<u><u>530,233,274</u></u>

**SUSAN MCKINNON FOUNDATION**  
**ABN: 28 739 100 711**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 12: RELATED PARTY TRANSACTIONS**

**(a) Transactions with associated entities**

**Redbridge Capital Trust**

Redbridge Capital Trust is an investment unit trust that was setup to manage the financial assets of the Susan McKinnon Foundation and other related parties.

- During the financial year, Susan McKinnon Foundation invested a net amount of \$116,614,686 into Redbridge Capital Trust (\$134,614,686 invested less \$18,000,000 redemptions) via cash subscriptions and in-specie distribution of investments (FY22: \$238,488,890).

- As at 30 June 2023, Susan McKinnon Foundation has accrued a distribution receivable from Redbridge Capital Trust of \$7,976,329 (FY22: \$NIL).

**Redbridge Capital Pty Ltd**

Redbridge Capital Pty Ltd is the investment manager of Redbridge Capital Trust and provides back office administration support to Susan McKinnon Foundation.

- Via its investment in Redbridge Capital Trust, Susan McKinnon Foundation paid management fees to Redbridge Capital Pty Ltd of \$2,279,713 (FY22: \$360,354), equating to a management fee of 0.65% pa.

- Redbridge Capital Pty Ltd provided a rebate to the Trust which equated to \$805,922 (FY22: \$180,177).

- Effective from 1 January 2023, there was a revision in the rebate rate from 0.325% to 0.15%. This also resulted in a revision of the net management fee paid from 0.325% to 0.50% pa post rebate.

- Susan McKinnon Foundation was charged \$76,555 (FY22: \$75,371) by Redbridge Capital Pty Ltd for finance and accounting services, office management, and rent. These charges were done at cost.

- Susan McKinnon Foundation was paid \$3,705 (FY22: \$5,757) by Redbridge Capital Pty Ltd for shared IT expenses. These charges were done at cost.

- As at 30 June 2023, Susan McKinnon Foundation has a receivable amount of \$55,324 (FY22: \$98,285) from Redbridge Capital Pty Ltd.

**Susan McKinnon Research Centre Ltd**

Susan McKinnon Research Centre Ltd runs research and charitable programs, aimed at delivering tangible progress on the goals of the Susan McKinnon Foundation.

- Susan McKinnon Foundation was paid \$11,173 (FY22: \$NIL) by Susan McKinnon Research Centre Ltd for shared IT and insurance expenses. These charges were done at cost.



**SUSAN MCKINNON FOUNDATION**  
**ABN: 28 739 100 711**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 12: RELATED PARTY TRANSACTIONS (CONTINUED)**

- Susan McKinnon Foundation was charged \$78,522 (FY22: \$NIL) by Susan McKinnon Research Centre Ltd for marketing and strategic advisory services related to Susan McKinnon Foundation's grant program. These charges were done at cost.

- Susan McKinnon Foundation donated \$21,050,384 (FY22: \$21,833,155) to Susan McKinnon Research Centre Ltd during the financial year.

- As at 30 June 2023, Susan McKinnon Foundation has a payable amount of \$5,663 (FY22: \$NIL) to Susan McKinnon Research Centre Ltd.

	2023	2022
	\$	\$
<b>NOTE 13: KEY MANAGEMENT PERSONNEL COMPENSATION</b>		
Total key management personnel remuneration	239,564	232,461
Key management personnel services provided by Redbridge Capital Pty Ltd	<u>13,242</u>	<u>23,551</u>
	<u><u>252,806</u></u>	<u><u>256,012</u></u>

**NOTE 14: EVENTS SUBSEQUENT TO REPORTING DATE**

There has been no matter or circumstance, which has arisen since 30 June 2023 that significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 30 June 2023, of the Trust or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 30 June 2023, of the Trust.

**NOTE 15: TRUST DETAILS**

The registered office of the Trust is:

Susan McKinnon Foundation  
Level 11  
90 Collins Street  
Melbourne VIC 3000

SUSAN MCKINNON FOUNDATION  
ABN: 28 739 100 711

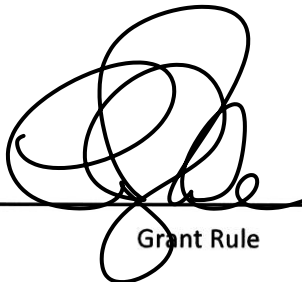
DIRECTORS' DECLARATION OF THE TRUSTEE COMPANY

The directors have determined 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 Trust declare that:

1. In the directors' opinion, the financial statements and notes thereto, as set out on pages 4 - 15, satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*, including:
  - (a) complying with Australian Accounting Standards as detailed in Note 1 to the financial statements and the *Australian Charities and Not-for-profits Commission Regulations 2022*; and
  - (b) giving a true and fair view of the financial position as at 30 June 2023 and performance for the year ended on that date of the Trust in accordance with the accounting policies described in Note 1 to the financial statements.
2. In the directors' opinion, there are reasonable grounds to believe that the Trust is 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-profits Commission Regulations 2022*.

Director:  \_\_\_\_\_  
Grant Rule

Director:  \_\_\_\_\_  
Michael Schoenfeld

Dated this Thirtieth day of November 2023

SUSAN MCKINNON FOUNDATION  
ABN: 28 739 100 711

INDEPENDENT AUDITOR'S REPORT  
TO THE TRUSTEES OF SUSAN MCKINNON FOUNDATION

**Report on the Audit of the Financial Report**

*Opinion*

We have audited the financial report, being a special purpose financial report of Susan McKinnon Foundation, "the Trust", which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, statement of changes in trust 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 declaration by Directors of the Trustee Company.

In our opinion, the accompanying financial report of Susan McKinnon Foundation, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the Trust's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

*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 *Australian Charities and Not-for-profits Commission Act 2012* "ACNC Act" and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* "the Code" that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We 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 Susan McKinnon Foundation to meet the requirements of the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

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*Other Information*

The Directors are responsible for the other information. The other information comprises the information included in the Trust's annual financial report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

*Responsibilities of Management and Those Charged with Governance for the Financial Report*

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the ACNC Act and for such internal control as management determines 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, management is 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 management either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

Those charged with governance 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.

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:

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*Auditor's Responsibilities for the Audit of the Financial Report (Continued)*

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

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**Report on Other Legal and Regulatory Requirements**

The Directors are required to comply with the ATO Private Ancillary Fund Guidelines 2019 ("Guidelines") and have the responsibility for ensuring that the Trust complies with these Guidelines. Our responsibility is to express a conclusion as to whether the Directors and the Trust have complied with those Guidelines in all material respects. Our audit has been conducted in accordance with ASAE 3100 Compliance Engagements to provide reasonable assurance that the Trust has complied with the Guidelines. Our procedures included examination, on a test basis, of evidence supporting compliance with the requirements of the Guidelines in all material respects for the period from 1 July 2022 to 30 June 2023.



K L BYRNE

Partner

Date: 30 November 2023



PITCHER PARTNERS

Melbourne