

Annual Report



November 2024



| **easternstar**
FOUNDATION

Who we are

The Eastern Star Foundation is a philanthropic foundation whose focus is helping to improve outcomes for the aged.

Our history of caring for the aged dates back to 1954, when a group of Order of the Eastern Star members established the organisation with a mission to provide a home for their aged members. The organisation later become an aged and community care provider, known as Star Aged Living and was based at Beaudesert in Brisbane.

The aged and community care business was sold in 2018, and the organisation transitioned into a philanthropic foundation in 2019.

The Eastern Star Foundation's activities are underpinned by its values of dignity, independence and hope.

Through our grant-funding, and partnerships with charities and other philanthropists, we help the aged to: remain independent, practice choice, participate in their community, have a support network, and experience healthy ageing.



Remain independent



Practice choice



Participate in their community



Have a support network



Experience healthy ageing

The Australian Communities Foundation and independent consultants support the Eastern Star Foundation with their grant-making, administration, and marketing activities.

To keep up to date with the Eastern Star Foundation go to:
www.easternstarfoundation.org.au



The Eastern Star (Australia) Foundation Ltd trading as Eastern Star Foundation

Annual Report
November 2024
ACN 166 950 321
ABN 36 640 477 592

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Auditors:
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Eastern Star Foundation's Vision, Mission, and Values



Vision

To empower those who enhance the quality of life for our ageing communities.



Mission

We provide financial assistance to help initiatives become a reality for charities who care for our ageing communities, support their independence, and who are committed to helping them live well.



Values

Dignity: We believe everyone should be honoured and respected.

Independence: We enable people to make their own choices.

Hope: We encourage people to have ambition for the future.



Report from the Chair

This year, we awarded our highest amount of grant funding since establishing ourselves as a philanthropic foundation, with five charities and their clients receiving a total of \$335,000. The Board also upheld its commitment to good governance, demonstrating strong attendance at meetings and carefully overseeing grant activities as well as the financial performance of our investment portfolio.

Our philanthropy in the community

The largest grant of \$100,000 was awarded to the World Wellness Group to extend funding for their Multicultural Healthy Ageing Social Link Program for another year. This marks the second consecutive year the charity has received a \$100,000 grant, with last year's funds helping to launch the program. Currently, approximately 65 culturally and linguistically diverse (CALD) seniors in Brisbane's Northside participate in the program each month, which has successfully connected them with culturally appropriate and safe local

information, resources, and social activities. An external evaluation is also underway to assess the program's impact and support the pursuit of long-term funding.

Additionally, a grant of \$60,000 has benefited elderly war widows across Queensland through the Legacy Club of Brisbane's Elderly Widows Program. This funding is enhancing Legacy's complex case management services, enabling the development of personalised plans to meet the needs of the widows. The funding is also supporting their network of 45 Laurel Socialisation Clubs, which serve over 450 elderly members, providing opportunities for social interaction and peer support.

Furthermore, a grant of \$60,000 to the Queensland Symphony Orchestra (QSO) is supporting their Health and Wellbeing Program (Healthy Ageing). This grant is enabling small QSO ensembles to perform for around 500 aged care residents in facilities throughout Southeast and regional

Queensland, as well as host two large-scale performances tailored for older audiences each year in Brisbane. Music has been shown to offer significant social, cognitive, emotional, physical, and spiritual benefits for older adults, especially those living with dementia. The grant is also assisting QSO in developing an evaluation framework to measure the program's effectiveness.

Happy Paws Happy Hearts also received a grant of \$65,000 to help start their "Hearts and Paws Connect" Intergenerational Ageing Program which is seeing young people connect with ageing communities in Queensland to deliver rescue animal demonstrations, experiences, and interactions in partnership with aged care facilities. Together, the program provides both generations with the opportunity to connect to their community, have dignity, and feel hope for a different future through meaningful time spent together with rescue animals who also enjoy the additional time out of enclosures!

Summary of key financials 2023 - 24:

Profit or Loss Statement

Income	\$675,452
Expenditure	(\$503,773)
Operating surplus/(deficit)	\$171,679
Other comprehensive income/(loss)	\$491,165
Total Comprehensive income/(deficit)	\$662,844

Balance Sheet

Total Assets	\$12,417,423
Total Liabilities	(\$ 27,223)
Net Assets	\$12,390,200

See our full Audited Financial Results from page 8 of this Annual Report

The primary asset for Eastern Star Foundation is the investment corpus. The market value of the portfolio at 30 June 2024 was \$12.39 million.

The investment markets continue to be volatile as a result of increasing interest rates and inflation, however, the Board and Eastern Star's investment managers continue to monitor the portfolio on a regular basis.

Finally, Queenslanders living with Motor Neurone Disease, along with their loved ones and caregivers, are benefiting from a \$50,000 grant awarded this year to the Motor Neurone Disease Association QLD. This funding supports their Free Equipment for the Over 65s project, which aims to address the significant gap in equipment rental services for individuals over 65 who are affected by the disease. Access to this essential equipment will enhance their independence, communication, and social engagement.

Applications are currently open for the 2024–25 financial year grant round, which began on 7 October 2024. Registered charities operating in Queensland that aim to improve the quality of life for the elderly can submit their applications until 13 December 2024.

Investment portfolio

The Foundation's investment portfolio saw an increase in net

assets, rising from \$11.73 million on 30 June 2023, to \$12.39 million on 30 June 2024.

Our investment strategy adheres to a conservative risk profile, allowing the portfolio to endure market fluctuations over the long term while generating consistent annual grant proceeds. Our investment advisors, Ord Minnett, continue to offer invaluable support to the Foundation.

Eastern Star Foundation Board

This year, we welcomed William Bass to the Board. William is a Chartered Accountant and brings extensive experience in finance, senior management, and governance. I would also like to express my gratitude to Leigh Kennedy who retired from the Board at the last Annual General Meeting, and Victoria Lister who resigned during the past year. Leigh previously served on the Star Aged Living Board and then the Eastern Star Foundation Board for a combined total of thirteen years,

including several terms as Chair, while Victoria contributed as a director for three and a half years.

Administration and marketing support

I would like to acknowledge and thank The Australian Communities Foundation, who are a national charity administration and governance support provider, for their administration and granting support this past year. Thank you also to the continued support of our independent Marketing Consultant.

We eagerly anticipate announcing the results of our next grant round and witnessing the positive impact our philanthropic funding will have on the lives of our ageing communities.

Yours sincerely

Jonathan Nantes
Chair, The Eastern Star (Australia)
Foundation Ltd

2023-24 Highlights

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**Grant
Recipients**

\$335,000

**Funding
Distributed**

\$12.39m

**Net
Assets**



Eastern Star Foundation 2024 grant recipients with Eastern Star Foundation Directors at the Grand Chapter of Queensland Installation.

Our Board and governance

The Eastern Star (Australia) Foundation Ltd is registered with the Australian Charities and Not-for-profits Commission (ACNC). Our Board oversees the Foundation's governance, prudential responsibilities, and strategy, and receives management, administration and marketing support from The Australian Communities Foundation and independent consultants.



Jonathan Nantes
Chair



Elizabeth Watt
Deputy Chair



Beth Littler
Secretary



William Bass
Director



Roslynn (Roz) Black
Director



John Howard
Director



Leigh Kennedy
Director (Retired
November 2023)



Victoria Lister
Director (Resigned
April 2024)

Jonathan Nantes Chair

Commenced November 2010

Jonathan was elected as Chair of the Eastern Star Foundation Board in late 2018 and served until November 2022. He was then re-elected as Chair in November 2023. His background as the previous owner of a sheep and cattle station in Charleville and small trucking business has given him a good understanding of the dynamics of business. He also holds a Certificate III in Bus and Coach Accreditation.

Jonathan holds an enormous amount of pride in the Board's vision to enhance the quality of life for our ageing communities and is committed to good governance

practices. He has been a member of the Order of the Eastern Star since 1973 and has held the position of Most Worthy Grand Patron in the United Grand Chapter of Australia.

Elizabeth Watt Deputy Chair

Commenced November 2012

Through her extensive 35-year career at Centrelink, and 12 years as a part-time lecturer for the Securities Institute of Australia, Elizabeth brings a wealth of knowledge in the areas of policy and finance to the Board.

A member of the Order of the Eastern Star since 1980, Elizabeth has served as Worthy Matron of Sunny South Chapter for 10 terms and as Deputy Grand Matron of South

Australia from 1995-1997. Elizabeth's commitment and excellence in service were recognised in 2007-2009 when she was honoured to be the Most Worthy Grand Matron of the United Grand Chapter of Australia.

Beth Littler Secretary

Commenced November 2021

Beth's career encompassed education, health and seniors living, holding positions such as Secretary to a hospital board and a Health Commissioner, managing retirement villages and serving as a Director on Star Gardens Home for the Aged Board and for a 20-year period prior to retiring in 2020 managed the retirement living divisions of two

prominent Queensland aged care providers. During this time, she participated in industry-specific associations, and parliamentary working parties establishing and implementing legislative and accreditation changes. Commencing in 2008, Beth served as a Board Member of Star Gardens Home for the Aged until 2013.

Being granted Fellowship of the Institute of Professional Secretaries (now known as the Institute of Office Professionals) in 1986, Beth has extensive management, human resource, financial and governance experience and is a Justice of the Peace (Qual).

Beth joined the Order of the Eastern Star in 2002 and has actively participated in many aspects of the Order over the years, including holding the position of Worthy Matron of her Chapter – Beenleigh on two occasions. Beth is now serving as the Worthy Grand Secretary of the United Grand Chapter of Australia.

William Bass Director

Commenced November 2023

William joined the Eastern Star Foundation Board in 2023. He is a Chartered Accountant with extensive board and senior management experience in both listed, and unlisted, international and Australian companies. He currently supports the operational and financial foundation and growth of a range of Queensland established and innovation businesses.

William was Finance and Audit Chair for many years on the boards of Alzheimer's Queensland and Dementia Australia, as well as being a founding director of a significant charitable fund in Queensland.

He looks forward to assisting with the many challenges and opportunities that present themselves to the Eastern Star Foundation and its supported organisations.

Roslynn (Roz) Black Director

Commenced July 2020

Roz joined the Eastern Star Foundation Board in 2020 with diverse career experience spanning the nonprofit, government and legal sectors. Her passion for the nonprofit sector has seen her work in, and volunteer her time for charitable organisations, including being on two nonprofit governance boards. Roz has a Graduate Certificate in Business (Philanthropy and Nonprofit Studies) from QUT's Australian Centre for Philanthropy and Nonprofit Studies which furthered her knowledge in nonprofit governance and regulatory compliance. Roz is deeply aware of the challenges and opportunities that present themselves in the nonprofit sector, which assists her in developing a fuller understanding of the organisations that the Eastern Star Foundation supports.

John Howard Director

Commenced November 2014

John has had extensive experience in aged care management as a manager of Aged Care Facilities and Retirement Villages for over 30 years. He joined the Board in November 2014 and brought a wealth of knowledge to the Board as a qualified director. He has extensive governance, finance, and administration experience.

John has served on the St Andrews Lutheran College Board, Tallebudgera, and the Lutheran Laypeople's League (the approved deposit-taking institution of the Lutheran Church of Australia). He also is a Justice of the Peace and a former member of the Australian Institute of Company Directors and Australian Institute of Management.

Leigh Kennedy Director

November 2010 – November 2023

Leigh commenced on the Board in November 2010 and resigned in

November 2023, having served as chairperson for several years. She has also served a three-year term on the Board of Meals on Wheels Queensland and was previously awarded the prestigious 'Life Membership' for her continuous years of volunteering with Meals on Wheels Mt Gravatt branch.

Leigh has been in the Order of the Eastern Star since 1973 and has held several senior positions including Worthy Matron of Ruth, Mizpah, Adah, Coorparoo and Beau-View Chapters. Leigh is a Past Worthy Grand Matron of the Grand Chapter of Queensland and has also served as a Past Worthy District Grand Matron.

Victoria Lister Director

November 2020 – April 2024

Victoria has worked in and with small-to-medium nonprofit organisations for over 30 years – in board roles, as an employee, volunteer, manager, CEO and for ten years, as a consultant. Most of these entities have been in the human services sector including disability, education, employment services, community legal service and early childhood organisations. As a consultant, Victoria has supported with governance training and advice, management, change management, marketing, strategic planning, mentoring, coaching, and research.

Victoria has a Master of Business (Philanthropy & Nonprofit Studies) from the Australian Centre of Philanthropy and Nonprofit Studies (ACPNS) and a research degree (Master of Philosophy) in Marketing that focused on services marketing. She is currently undertaking a PhD in Employment Relations and Human Resources on employee voice. Victoria is active on the ACPNS Alumni Chapter Committee, is a member of the Australian Human Resources Institute (AHRI) and the Industrial Relations Society of Queensland (IRSQ) and is the Australian and New Zealand Academy of Management (ANZAM) doctoral student representative.

Music's power enhances lives of aged



Queensland Symphony Orchestra's Healthy Ageing Concert held in June 2024 (photo supplied by Geordie McGrath)

More than 100 aged Queenslanders experienced the benefits that music brings at this year's Queensland Symphony Orchestra's Healthy Ageing Concert. Conducted by Carlo Antonioli and featuring classical favourites such as Rossini, Overture to The Barber of Seville and Debussy, Clair de lune, the concert forms part of a Health and Wellbeing Program that was supported by a \$60,000 grant from the Eastern Star Foundation.

The Chair of Queensland Symphony Orchestra, Mr Rod Pilbeam, said that music is known to deliver powerful benefits for the elderly, particularly those living with dementia.

"The social, cognitive, emotional, physical, and spiritual benefits of music are significant," said Mr Pilbeam.

In addition to two large-scale performances at the Queensland Symphony Orchestra's studio in South Brisbane, the program includes small ensemble performances in aged care homes across regional and Southeast Queensland.

"Our first visit after receiving the grant, was to OzCare in Port Douglas in May, which was attended by Her

Excellency The Honourable Dr Jeannette Young AM PSM, Governor of Queensland," said Mr Pilbeam.

The grant from the Eastern Star Foundation will not only support these visits and performances but will also help to fund the development of an evaluation framework to measure the Program's impact.

"Building on a global Health and Wellbeing Literature Review in 2021, QSO has again partnered with Griffith University, led by Professor Brydi to develop an evidence-based evaluation framework to measure the impacts of the Program," said Mr Pilbeam.

Eastern Star Foundation Chair, Jonathan Nantes, and Secretary, Beth Littler, who attended the Healthy Ageing Concert, said that the performance was captivating.

"Listening to Claude Debussy's Clair de lune as a symphonic piece and the 1st Movement of Beethoven's 6th Symphony Pastoral to name but a few items, was awesome to say the least," said Mrs Littler.

"I certainly found myself being transported into a relaxed, calm and quiet place."

"After experiencing the performance firsthand, I am confident that this program will continue to be of great benefit to aged Queenslanders and we look forward to learning of the program's impact," said Mr Nantes.

The grant to the Queensland Symphony Orchestra was part of the Eastern Star Foundation's latest grant round, totalling \$335,000, which provided grants to help five Queensland charities enhance the lives of their elderly clients.

"We are so grateful to the Eastern Star Foundation for providing a grant to not only support the orchestral performances but to also help us to better understand the impact that music makes on the aged."



Visit to OzCare Port Douglas (photo supplied by Alana Sharp)

Continued support and services for War Widows

Elderly War Widows across Queensland have been able to continue to access peer support and receive case management services thanks to a grant to the Legacy Club of Brisbane's Elderly Widows Program which was announced earlier this year.

The \$60,000 grant from the Eastern Star Foundation is helping to support Legacy's complex case management service, which develops individual plans for widows to address their needs. It is also supporting their network of 45 Laurel Socialisation Clubs, which are attended by over 450 elderly members, providing them with the opportunity to socialise and access peer support.

Eastern Star Foundation Chair, Jonathan Nantes, and Secretary, Beth Littler, who were fortunate to see the impact of the grant first-hand at a Redlands Care Group of Legacy morning tea earlier this year, said that the peer support and case management services were life changing.



"It was wonderful to see the rich social connections that had been established amongst the Legatees at this Socialisation Club, of which our grant is helping to fund," said Mr Nantes.

"It was evident that the club activities and case management services are enhancing the lives of Legacy Members, and we are proud to be able to play some part in that," said Mr Nantes.

Head of Fundraising at Legacy Brisbane, Kelly Burmester, said that they were extremely grateful to Eastern Star Foundation for this

generous grant which is helping Legacy deliver tailored programs that help their widows thrive and live the life they choose.

"Some require little more than advice, while others require more extensive assistance including relief from financial hardship and social isolation, advocacy, and support with medical, safety and respite care," said Ms Burmester.

"Legacy does whatever it takes to ensure no widow of a deceased veteran will ever face life's challenges alone."

Visit highlights grant's support for multicultural seniors

Eastern Star Foundation Directors recently attended a World Wellness Group multicultural senior's social group with members of the Australian Communities Foundation to see firsthand the impact that their grant was making.

Last year, World Wellness Group received a grant for \$100,000 from the Eastern Star Foundation to establish their Multicultural Seniors Social Link Program. Due to the program's success, a further \$100,000 was awarded in this year's grant round to help run the program for a further twelve months. An external evaluation of the program is also being conducted to build evidence of its impact and to assist

with securing longer-term funding.

The program, which now has around 65 Culturally and Linguistically Diverse (CALD) seniors on Brisbane's Northside engaged with it each month, has proven successful in helping them to connect locally to information, resources, and social activities that are culturally appropriate and safe.

Eastern Star Foundation's Board Secretary, Beth Littler, said that the visit was enlightening and extremely satisfying as a Director, to witness firsthand the benefits that the Foundation's Grants afford to organisations and communities such as the Wellness Group.



"Having the opportunity to meet, speak with and simply spend time with the recipient's clients at a regular programmed event was extremely rewarding," said Beth.

"Watching their smiling faces, sharing in their laughter and experiencing the sheer happiness that abounded despite the fact there was significant language barriers between individuals was awesome.

"It reassured me that as a Board we are achieving great things."



Financial Statements

Eastern Star (Australia) Foundation Ltd

ABN 36 640 477 592

ACN 166 950 321

For the year 1 July 2023 to 30 June 2024

Annual Financial Report
For the year ended 30 June 2024

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Directors' Report

For the year ended 30 June 2024

The Directors present their report on Eastern Star (Australia) Foundation Ltd ("Foundation") for the 12 months ended 30 June 2024.

1. Information on directors

The following Board members have been in office since the start of the financial year to the date of this report unless otherwise stated

Current Board Members

Jonathon Nantes	(Chairperson)
Elizabeth Watt	(Deputy Chairperson)
Beth Littler	(Secretary)
William Bass	Appointed 23 November 2023
Roslynn Black	
John Howard	
Leigh Kennedy	Resigned 23 November 2023
Victoria Lister	Resigned 9 April 2024

2. Objectives

The objective of the Foundation is to empower those who enhance the quality of life for ageing communities in Queensland.

3. Principal activities

The principal activity of the Foundation during the year was to derive income to enable the provision of charitable grants; to assess the capability and quality of potential grant partners and to meet the objectives of the Foundation. Grants awarded to successful applicants assist individuals in providing independence and living well across ageing communities in Queensland.

4. Operating and financial review

The net result for the year was a surplus of \$171,679 (2023: \$247,316) excluding the market gains/(losses) for the year. The entity measures its performance through its investment returns, real corpus growth and through total grants allocated and paid.

5. Significant changes in the state of affairs

In the opinion of the Directors there were no significant changes in the state of affairs of the Foundation that occurred during the financial year under review.

Directors' Report (continued)
For the year ended 30 June 2024

6. Board meetings

The number of meetings of the Board of Directors held during the year ended 30 June 2024, and the number of meetings attended by each director were:

Name	A	B
William Bass	3	3
Roslynn Black	4	3
John Howard	4	4
Victoria Lister	3	1
Beth Littler	4	4
Jonathon Nantes	4	4
Leigh Kennedy	1	1
Elizabeth Watt	4	3

A Number of meetings held during the time the Director held office during the year

B Number of meetings attended

7. Environmental regulation

The Company's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation.

8. Events subsequent to reporting date

No significant events have occurred since the end of the financial year which would impact on the financial position of the Foundation disclosed in the statement of financial position as at 30 June 2024 or on the results and cash flows of the Foundation for the reporting period ended on that date.


6. Indemnification and insurance of officers and auditors

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


7. Auditors' Independence Declaration

A copy of the Auditor's Independence declaration, as required under section 60-40 of the *Australian Charities and Not-for-Profits Commission Act 2012*, is included on page 3 of this financial report.

Signed in accordance with a resolution of the Board of Directors:



Jonathon Nantes
Chairperson



Elizabeth Watt
Deputy Chairperson

10 October 2024

**LEAD AUDITOR'S INDEPENDENCE DECLARATION
UNDER SUBDIVISION 60-C OF THE
AUSTRALIAN CHARITIES AND NOT-FOR-PROFIT COMMISSION ACT 2012**

To the Directors of Eastern Star (Australia) Foundation Ltd:

I declare that, to the best of my knowledge and belief, in relation to the audit for the year ended 30 June 2024 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-For-Profit Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

LDAssurance
Chartered Accountants



Stephen O'Kane
Partner

Dated this 22nd day of October 2024
At 330 Collins Street, Melbourne.

Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Income			
Investment income		739,720	603,780
Member dues		450	375
Interest income		769	643
Realised gain / (loss) on financial assets		(65,487)	103,519
		<u>675,452</u>	<u>708,317</u>
Expenses			
Grant payments		335,000	302,174
Accounting and secretariat		80,668	76,475
Board and governance costs		1,108	863
Consultancy expenses		6,318	6,260
Insurance		3,743	3,613
Investment management fees		60,525	57,479
Legal expenses		-	1,206
Site visits		3,522	-
Telephone and IT expenses		4,493	4,233
Travel - Board		1,906	2,870
Travel - Secretariat		3,623	2,849
Other expenses		2,867	2,979
		<u>503,773</u>	<u>461,001</u>
Surplus for the year		<u><u>171,679</u></u>	<u><u>247,316</u></u>
Other comprehensive income			
Change in fair value of financial assets		491,165	248,261
Total comprehensive income/(deficit) for the year		<u><u>662,844</u></u>	<u><u>495,577</u></u>

Eastern Star (Australia) Foundation Ltd
ABN: 36 640 477 592

Statement of Financial Position
As at 30 June 2024

	Note	2024 \$	2023 \$
Current Assets			
Cash and cash equivalents	4	1,266,106	1,877,098
Trade and other receivables	5	246,145	187,580
Total Current Assets		1,512,251	2,064,678
Non Current Assets			
Financial assets	6	10,905,172	9,688,320
Total Non Current Assets		10,905,172	9,688,320
Total Assets		12,417,423	11,752,998
Current Liabilities			
Trade and other payables	7	27,208	25,597
Total Current Liabilities		27,208	25,597
Non Current Liabilities			
Trade and other payables	7	15	45
Total Non Current Liabilities		15	45
Total Liabilities		27,223	25,642
Net Assets		12,390,200	11,727,356
Equity			
Corpus		10,966,122	10,966,122
Retained earnings		-	741,616
Financial asset reserve	8	510,783	19,618
Long term reserve	8	681,295	-
Short term reserve	8	232,000	-
Strategic capital reserve	8	-	-
Total Equity		12,390,200	11,727,356

Statement of Changes in Equity
 As at 30 June 2024

	Note	Corpus	Retained Earnings	Financial Asset Reserve	Long Term Reserve	Short Term Reserve	Strategic Capital Reserve	Total
		\$	\$	\$	\$	\$	\$	\$
Opening Balance at 1 July 2022		-	11,460,422	(228,643)	-	-	-	11,231,779
Surplus for the year		-	247,316	-	-	-	-	247,316
Total other comprehensive income		-	-	248,261	-	-	-	248,261
Corpus reinstatement		10,966,122	(10,966,122)	-	-	-	-	-
Closing Balance at 30 June 2023		10,966,122	741,616	19,618	-	-	-	11,727,356
Opening Balance at 1 July 2023		10,966,122	741,616	19,618	-	-	-	11,727,356
Surplus for the year		-	171,679	-	-	-	-	171,679
Total other comprehensive income		-	-	491,165	-	-	-	491,165
Transfer from retained earnings		-	(913,295)	-	681,295	232,000	-	-
Closing Balance at 30 June 2024		10,966,122	-	510,783	681,295	232,000	-	12,390,200

Statement of Cashflows
For the year ended 30 June 2024

	Note	2024	2023
		\$	\$
Cash flows from Operating Activities			
Receipts from members		270	255
Dividends and distributions received		572,959	579,731
Franking credits		94,854	139,880
Grants paid		(335,000)	(302,174)
Payments to suppliers		(163,588)	(160,594)
<i>Net cash from / (used in) operating activities</i>		165,974	257,098
Cash flows from Investing Activities			
Proceeds from sale of investments		1,757,196	2,887,490
Acquisition of investments		(2,534,161)	(1,597,860)
<i>Net cash from / (used in) investing activities</i>		(776,965)	1,289,630
Net Movement in Cash Held		(610,991)	1,546,728
Cash and Cash Equivalents at 1 July		1,877,098	330,370
Cash and Cash Equivalents at 30 June		1,266,106	1,877,098

Notes to the Financial Statements

For the year ended 30 June 2024

Eastern Star (Australia) Foundation Ltd is a Company limited by guarantee registered charity under the *Australian Charities and Not-for-Profits Commission Act 2012*. The Foundation is a not-for-profit entity registered and domiciled in Australia.

The financial report was authorised for issue by the Directors on 10 October 2024.

Comparatives are consistent with prior years, unless otherwise stated.

1. Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Australian and Not-for-profits Commission Act 2012*.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Material accounting policy information relating to the preparation of these financial statements are presented below, and are consistent with prior reporting periods unless otherwise stated.

The Foundation has adopted the amendments to *AASB 101 Presentation of Financial Statements* which require only the disclosure of material accounting policy information rather than significant accounting policies and therefore policy information which does not satisfy one of the following requirements has been removed from these financial statements:

- Relates to change in accounting policy
- Policy has been developed in the absence of an explicit accounting standard requirement
- Documents an accounting policy choice
- Relates to an area of significant judgement or estimation
- Relates to a complex transaction and is required to explain the treatment to the user.

2. Material accounting policy information

(a) Revenue

Revenue is recognised and measured at fair value of the consideration received or receivable to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured and collection is probable.

Donations

Donations collected, including cash and goods for resale, are recognised as revenue when the entity gains control, economic benefits are probably and the amount of the donation can be measured reliably.

Notes to the Financial Statements
For the year ended 30 June 2024

2. Material accounting policy information (cont'd)

(a) Revenue (cont'd)

Investment income

Dividend and distribution income is recognised at the time the right to receive payment is established.

Interest income is recognised on an accrual basis using the effective interest method.

Franking credits

Imputation tax credits in respect of dividends and trust distributions received are recognised as revenue as at the date the share is quoted ex-dividend. As the application for the refund of excess imputation credits can only be made after year end, the applicable revenue is accrued for at year end.

Member dues

Member dues are recognised when received, unless paid in advance when they are recognised in the appropriate period.

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

(b) Income tax

The entity is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(c) Financial instruments

Financial instruments are recognised initially on the date that the entity becomes party to the contractual provisions of the instrument.

Financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Notes to the Financial Statements
For the year ended 30 June 2024

2. Material accounting policy information (cont'd)

(c) Financial instruments (cont'd)

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Impairment of financial assets

The carrying amounts of the Foundation's financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

Financial liabilities

The entity measures all financial liabilities initially at fair value less transaction costs, and subsequently financial liabilities are measured at amortised cost using the effective interest rate method. The financial liabilities of the entity include borrowings and trade and other payables.

(d) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

3. Critical accounting judgements, estimates and assumptions

The Directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

Notes to the Financial Statements
For the year ended 30 June 2024

3. Critical accounting judgements, estimates and assumptions (cont'd)

The significant estimates and judgements made have been described below.

Key estimates - fair value of financial instruments

The Foundation has certain financial assets and liabilities which are measured at fair value. Where fair value has not able to be determined based on quoted price, a valuation model has been used. The inputs to these models are observable, where possible, however these techniques involve significant estimates and therefore fair value of the instruments could be affected by changes in these assumptions and inputs.

Notes to the Financial Statements
For the year ended 30 June 2024

	2024	2023
	\$	\$
4. Cash and cash equivalents		
Cash at bank	64,511	25,642
Cash at bank - investment account	701,595	1,101,456
Term deposits	500,000	750,000
	<u>1,266,106</u>	<u>1,877,098</u>
5. Trade and other receivables		
Investment income	156,726	89,387
Franking credits	85,962	94,855
GST receivable	3,457	3,338
	<u>246,145</u>	<u>187,580</u>
6. Financial Assets		
Australian equities	4,748,374	3,561,493
International equities	2,293,382	1,679,295
Fixed interest securities	2,833,771	3,349,572
Alternatives	1,029,644	1,097,961
	<u>10,905,172</u>	<u>9,688,320</u>
7. Trade and other payables		
<i>Current</i>		
Trade creditors	27,163	25,402
Prepaid income	45	195
	<u>27,208</u>	<u>25,597</u>
<i>Non Current</i>		
Prepaid income	15	45
	<u>15</u>	<u>45</u>
8. Reserves		
<u>Financial asset reserve</u>		
Opening balance	19,618	(228,643)
Increase/(decrease) in fair value of investments	491,165	248,261
Closing balance	<u>510,783</u>	<u>19,618</u>

The financial asset reserve reflects the movement in fair value of the investment portfolio, for which the movement has been recorded directly to other comprehensive income.

Notes to the Financial Statements
For the year ended 30 June 2024

	2024 \$	2023 \$
8. Reserves (cont'd)		
<u>Long term reserve</u>		
Opening balance	-	-
Transfer from retained earnings	681,295	-
Closing balance	<u>681,295</u>	<u>-</u>

The purpose of the long term reserve is to provide for bequests and grants other than those provided by through the short-term reserve. Surplus/(deficits) for the year are transferred to this reserve account.

<u>Short term reserve</u>		
Opening balance	-	-
Transfer from retained earnings	232,000	-
Closing balance	<u>232,000</u>	<u>-</u>

The purpose of the short term reserve is to provide for the 12 month cash flow requirements of the Foundation.

<u>Strategic Capital Reserve</u>		
Opening balance	-	-
Increase/(decrease) in fair value of investments	-	-
Transfer (to)/from reserve	-	-
Closing balance	<u>-</u>	<u>-</u>

The purpose of the strategic capital reserve is to provide for bequests and grants as determined by the Foundation Board for payment over a forward term of up to four years.

9. Auditor's Remuneration		
Audit Fees	3,000	2,727
	<u>3,000</u>	<u>2,727</u>

Notes to the Financial Statements
For the year ended 30 June 2024

	2024	2023
	\$	\$
10. Financial risk management		
Financial assets		
<i>Held at amortised cost</i>		
Cash and cash equivalents	1,266,106	1,877,098
Trade and other receivables	246,145	187,580
<i>Fair value through Other Comprehensive Income</i>		
Australian equities	4,748,374	3,561,493
International equities	2,293,382	1,679,295
Fixed interest securities	2,833,771	3,349,572
Alternatives	1,029,644	1,097,961
Total financial assets	<u>12,417,423</u>	<u>11,752,998</u>
Financial liabilities		
Trade and other payables	27,223	25,642
Total financial liabilities	<u>27,223</u>	<u>25,642</u>

11. Contingencies

In the opinion of the Directors, the Foundation did not have any contingencies at 30 June 2024 (30 June 2023: None).

12. Members' Guarantee

The Foundation is registered with the *Australian Charities and Not-for-profits Commission Act 2012* and is a Company limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the entity. There is only one class of membership. At 30 June 2024, the total amount that members of the entity are required to contribute, if wound up, is \$310 (2023: \$310).

13. Responsible Persons

The Directors of the entity are the responsible persons. No responsible person received any remuneration for the year.

14. Related party transactions

No related party transactions occurred during the year.

15. Events subsequent to the end of the financial year


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

Directors' Declaration

The Directors declare that in their opinion:

- (a) there are reasonable grounds to believe that the Foundation is able to pay all of its debts, as and when they become due and payable; and
- (b) the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulations 2022*.



Jonathon Nantes
Chairperson



Elizabeth Watt
Deputy Chairperson

10 October 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EASTERN STAR (AUSTRALIA) FOUNDATION LTD

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of Eastern Star (Australia) Foundation Ltd ('the Company'), which comprises the statement of financial position as at 30 June 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, material accounting policy information and other explanatory notes and the directors' declaration of the Company.

In our opinion, the accompanying financial report of Eastern Star (Australia) Foundation Ltd has been prepared in accordance with Division 60 of the *Australian Charities and Not-For-Profit Commission Act 2012*, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2024 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards – Simplified Disclosures and Division 60 of the *Australian Charities and Not-For-Profit Commission Regulations 2022*.

Basis for Opinion

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

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

Responsibility of the Directors for the Financial Report

The Directors are 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 1 to the financial report is appropriate to meet the requirements of the Australian Accounting Standards – Simplified Disclosure Standard and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*. The Directors' responsibility also includes such internal control as it determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Company'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 Directors either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Company'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 Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with 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 Company'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' 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 Company'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 Company 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.

LDAssurance
Chartered Accountants



Stephen O'Kane – Partner

Dated this 22nd day of October 2024
At 330 Collins Street, Melbourne.



www.easternstarfoundation.org.au