

# Annual Report

November 2022



| **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](http://www.easternstarfoundation.org.au)**



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

**Annual Report**  
**November 2022**  
ACN 166 950 321  
ABN 36 640 477 592

**Registered office:**  
Australian Communities Foundation  
Community of Giving  
Level 6, 126 Wellington Parade  
East Melbourne VIC 3002  
Ph: 0419 678 170  
[admin@communityfoundation.org.au](mailto:admin@communityfoundation.org.au)  
[www.easternstarfoundation.org.au](http://www.easternstarfoundation.org.au)

**Auditors:**  
LDAssurance  
Level 6/330 Collins St,  
Melbourne VIC 3000

## 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.



# Chairman's report

The past financial year was our third year of philanthropic granting with four charities receiving grants totaling over \$272,000 to help empower them to enhance the quality of life for our ageing communities.

## Our governance activities

The board continues its commitment to good governance practices including strong attendance at board meetings and undertaking committee and board evaluations to ensure we are achieving our objects. The board closely monitors the financial performance of both business operations and the investment portfolio.

## Our philanthropy in the community

We are proud to have continued our support of evidence-based programs that empower our ageing communities to live well.

A \$54,200 grant to The Humour Foundation has allowed them to extend their Laughter Care program

into Queensland at Blue Care residential aged care communities. The Laughter Care program combines humour therapy and the arts to improve the quality of life for aged-care residents, who are socially isolated and/or suffering from dementia.

Dementia Australia's grant for \$70,000 is helping them to fund the development and pilot of a Wellness Enablement Program designed to educate and empower people with early-stage dementia to live with confidence and manage their diagnosis effectively.

A grant of just over \$98,000 has gone to Gunther Village Gayndah to purchase, fit out, and brand a new HiAce minibus with wheelchair access to ensure residents can continue to participate in social activities and be involved in their community. We look forward to unveiling the new vehicle when Gunther Village Gayndah accept delivery.

A further \$50,000 has been granted to the Australian War Widows Queensland which is helping them with the costs of running the annual Sub-branch Taxi Subsidy Program and to pay for the fuel and running costs of the minivan that was purchased with a previous grant from the Eastern Star Foundation. This support reduces the program's operating cost pressures and allow their elderly widows to stay socially connected.

We are now in the midst of our fourth annual grant round for the 2022-23 financial year which opened on 3 October 2022. Applications will be accepted until 1 December 2022 from registered charities who operate within Queensland and enhance the quality of life for our aged.

## Investment portfolio

Investment markets globally continued to see some turbulence last financial year as a result of COVID-19. Like many investment portfolios, the value of our portfolio

## Summary of key financials 2021 - 22:

<b>Profit or Loss Statement</b>		\$
Income		\$676,024
Expenditure		(\$416,433)
<b>Operating surplus/(deficit)</b>		<b>\$259,591</b>
Other comprehensive income/(loss)		(\$1,149,239)
<b>Total Comprehensive income/(deficit)</b>		<b>(\$889,648)</b>
<b>Balance Sheet</b>		
Total Assets		\$11,259,442
Total Liabilities		(\$27,663)
<b>Net Assets</b>		<b>\$11,231,779</b>

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 (excluding cash) at 30 June 2022 was \$10.6 million.

Other comprehensive losses of \$1.15 million relates to unrealised market losses on investments for the year. The 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.



declined and was valued at \$10.6 million as of 30 June 2022. However, our investment strategy has a conservative risk profile to ensure our portfolio can withstand market fluctuations over the long-term and provide ongoing granting proceeds annually.

Ord Minnett have provided a very valuable service to our organization and The Board continues to be satisfied with their performance. They have supported the Board through the challenges of the COVID uncertainty and continue to

apply their expertise for our long-term benefit.

#### Administration support

During the year, the Board has transitioned its administration and grant-making support from Hand Heart Pocket to The Australian Communities Foundation, a national charity administration and governance support provider. The Australian Communities Foundation provide the same essential service to scale for Australian charities, trusts and foundations and have done for many years.

The Eastern Star Foundation Board looks forward to continuing its commitment to empower those who help the aged within our communities to live well.

Yours sincerely



**Jonathan Nantes**  
**Chairman, The Eastern Star**  
**(Australia) Foundation Ltd**

## 2021-22 Highlights

**4**  
**Grant**  
**Recipients**

**\$272,200**  
**Funding**  
**Distributed**

**\$11.23m**  
**Net Assets**



# 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 received management, administration and marketing support from The Australian Communities Foundation and independent consultants.



**Jonathan Nantes**  
Chairman



**John Howard**  
Deputy Chairman



**Beth Littler**  
Secretary



**Roslynn (Roz) Black**  
Director



**Leigh Kennedy**  
Director



**Victoria Lister**  
Director



**Elizabeth Watt**  
Director

## **Jonathan Nantes** Chairman

### **Commenced November 2010**

Jonathan was elected as Chairman of the Eastern Star Foundation Board in late 2018. 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 now holds the position of Most Worthy Grand Patron in the United Grand Chapter of Australia.

## **John Howard** Deputy Chairman

### **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.

**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, serving as a Director on Star Gardens Home for the Aged Board and over the past 20 years 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, taking up the position of Worthy Matron of her Chapter, Beenleigh, for the second time this year. Beth is now serving as the Worthy Grand Secretary of the United Grand Chapter of Australia.

**Roslynn (Roz) Black**  
**Director**

**Commenced July 2020**

Roz joined the Eastern Star Foundation Board in 2020 with diverse career experience spanning the non-profit, government and legal sectors. Her passion for the non-profit sector has seen her work in, and volunteer her time for charitable organisations, including being on two non-profit governance boards. Roz has a Graduate

Certificate in Business (Philanthropy and Non-profit Studies) from QUT's Australian Centre for Philanthropy and Non-profit Studies which furthered her knowledge in non-profit governance and regulatory compliance. Roz is deeply aware of the challenges and opportunities that present themselves in the non-profit sector, which assists her in developing a fuller understanding of the organisations that the Eastern Star Foundation supports.

**Leigh Kennedy**  
**Director**

**Commenced November 2010**

Leigh commenced on the board in November 2010 and has served as chairperson for several years. She has recently 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 and Coorparoo Chapters, and is currently the Worthy Matron of Beau-View Chapter. Currently, Leigh holds the position of Immediate Past Worthy Grand Matron of the Grand Chapter of Queensland and has also served as a Past Worthy District Grand Matron.

**Victoria Lister**  
**Director**

**Commenced November 2020**

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 and 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.

**Elizabeth Watt**  
**Director**

**Commenced November 2012**

Through her extensive 35-year career at Centrelink, and 12 years as a finance lecturer, 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.

# Grant helps women like Helen to stay connected



Elderly War Widows, like Helen, will continue to stay connected thanks to a renewed commitment of support and a further grant of \$50,000 from the Eastern Star Foundation to the Australian War Widows Queensland (AWWQ) this year.

Like many widows, Helen said that after her husband passed away, she felt lonely and socially isolated until hearing about AWWQ from a friend.

"It's become a lifeline for me. I thoroughly enjoy the company of fellow War Widows and go home from meetings and events feeling light and happy," said Helen.

However, due to health and mobility issues, transport to and from meetings and events was a struggle for Helen until the Eastern Star Foundation provided AWWQ with a grant. The grant of \$50,000 from the Foundation contributed

towards the annual Sub-branch Taxi Subsidy Program which has helped War Widows, like Helen, to stay connected with their community. The grant has also contributed towards the fuel and running costs of a minivan which was purchased from a prior \$100,000 grant from the Eastern Star Foundation last year.

"I would take three buses to attend AWWQ meetings and had trouble getting on and off the buses. Since the Taxi Subsidy Program was funded by the Eastern Star Foundation, travelling to meetings has not only become pleasant and comfortable, but travel time has been cut from two hours to less than ten minutes," said Helen.

"The grant from Eastern Star Foundation has given me the gift of transport, which means I have a new lease on life. The social interactions mean I am surrounded by lovely genuine, caring ladies at AWWQ

who all share a common bond and support each other through life's ups and downs."

War Widows Queensland State President Jennifer Gregory said that the organisation was extremely grateful to the Eastern Star Foundation for the grant of \$100,000 last year and the further grant of \$50,000 this year.

"Depression and loneliness are an increasing problem for the elderly, and we are so grateful for the transport assistance funded by the Eastern Star Foundation as it enables our members to continue to stay connected, socialise, and foster quality relationships," said Ms Gregory.

Eastern Star Foundation Chairman, Jonathan Nantes, said the Foundation's purpose was to provide grants to organisations, empowering them to provide dignity, hope and independence for the aged.

"We support evidence-based programs and initiatives that help the aged to remain independent, practice choice, participate in their community and have a support network," said Jonathan.

This year, the Eastern Star Foundation has awarded over \$272,000 in grant funding to empower organisations who help to enhance the quality of life for our ageing communities. In addition to the grant to AWWQ this year, grants were also awarded to Gunther Village at Gayndah, The Humour Foundation, and Dementia Australia.



# Laughter Care Program enhances lives of aged care residents like Victoria



Recently, the halls of Blue Care in Bli Bli rang with peals of laughter from a usually quiet room. The staff paused their duties in surprise, curious to see what was causing resident, Victoria, such delight since she had been increasingly withdrawn and keeping to her room.

Inside, Victoria was not lonely. Laughter Care specialist, Juney, was at her bedside speaking conspiratorially after the breaking news that the Queen had passed away and bonding over their shared thoughts on Charles. Slowly the conversation drifted from the royal

family as Victoria drew on moments from her own life as a young woman. Through music, the memories became stronger and Juney offered to play one of Victoria's favourite songs. Meanwhile, astounded staff could not believe the noticeably improved mood and engagement.

Thanks to a \$54,200 grant from the Eastern Star Foundation, Juney's visit to Blue Care at Bli Bli is a weekly occurrence through The Humour Foundation's Laughter Care program – a world-first combining the proven benefits of humour therapy with genuine human connection.

Laughter Care specialists are professional performers trained in sensitivity and empathy to address the unique needs of aged care residents. The program was specifically designed in Australia to assist people living with dementia (52% of aged care residents) and those experiencing social isolation and withdrawal.

Juney is one of many Laughter Care specialists who use humour and reminiscence therapy as an artform to encourage residents to become actively involved. The Laughter Care specialists enter as friends paying



a 'special visit' to people living with dementia, in what is now their home. They engage each resident using music, props, stories, improvisation, and reminiscence. Their carefully put together costumes speak to a period associated with a more active time in the resident's life.

The SMILE Study was undertaken by The Humour Foundation to measure the impact the Laughter Care program had on aged care residents living with dementia. The core findings showed agitation levels of residents decreased to the same extent as antipsychotic drugs – but without the side effects. Humour therapy is also proven to have numerous physiological and psychological benefits, including relieving fear, stress, and pain, as well as positive effects on the cardiovascular, immune, and respiratory systems.

A Laughter Care specialist's red nose is an invitation to play –

enabling each resident to relax and interact on their own terms. This person-centred approach results in real relationship building and connection, in fact Victoria asked to see Juney again and Blue Care staff noted that this positive effect has been replicated throughout the facility with each unique connection formed.

"I could see a very clear change in her, she was smiling more and happy to see me" said Juney, after her second visit with Victoria.

A critical component of the Laughter Care program is the Laughter Boss workshop, which introduces the art of humour therapy to staff. The workshop training addresses the psycho-social needs of aged care residents and helps staff to integrate play and humour in their daily work – not only to build connection, develop better relationships, and foster wellbeing with residents, but also to increase the happiness and

wellbeing of fellow colleagues.

The Bli Bli facility has completed their Laughter Boss workshop and is enjoying 12 months of weekly Laughter Care visits thanks to the Eastern Star Foundation's support. A second Blue Care facility in Queensland is scheduled to start the program shortly, also funded by the grant.

Eastern Star Foundation Chairman, Jonathan Nantes, said the Foundation supported evidence-based programs such as the Laughter Care program which are designed to help our aged to live well.

"We are pleased to have been able to support such a unique program which is evidence-based and helps aged care residents living with dementia or social isolation to practice choice, participate in their community and have a support network," said Jonathan.



# Grant helps fund wellness program for people with early-stage dementia

People with early-stage dementia will be empowered to live with confidence and manage their diagnosis more effectively with Dementia Australia recently receiving a grant for \$70,000 from the Eastern Star Foundation.

With dementia being one of the major chronic diseases of this century, and currently the leading cause of death in women in Australia, Trusts and Foundations Coordinator at Dementia Australia, Hannah Parslow, said the grant will help develop and pilot a Wellness Enablement Program designed to educate and empower people living in early stages of the disease.

"The program will be developed by a team of dementia specialists and will use consumer input from people living with dementia and other dementia advocates to maximise the program's efficacy and cover gaps in existing services," said Hannah.

"Once the program has been developed, four pilots will be launched across Brisbane. The long-term goal is to have a national program that empowers people in early stages of this chronic disease to understand more about their diagnosis and to learn how to manage it."

"Dementia is a life-changing condition and receiving a diagnosis can be met with different emotions ranging from sadness, anger or despair through to relief at finally understanding the cause of their symptoms."

Eastern Star Foundation Chairman, Jonathan Nantes, said the initiative aligned well with the Foundation's core purpose which was to empower organisations who provide dignity, hope and independence for the aged.

"The Foundation supports evidence-based programs and initiatives that help the aged to remain independent, practice choice,

participate in their community and have a support network," said Jonathan.

"We are pleased to be able to provide this grant which will empower Dementia Australia to develop and pilot a Wellness Enablement Program to help address an important need in our ageing community."





## **Financial Statements**

### **Eastern Star (Australia) Foundation Ltd**

ABN 36 640 477 592

ACN 166 950 321

For the year 1 July 2021 to 30 June 2022



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

---

**Annual Financial Report**  
**For the year ended 30 June 2022**

**Table of Contents**

	<b><u>Page</u></b>
Directors' Report	1 - 2
Auditor's Independence Declaration	3
Statement of profit or loss and other comprehensive income	4
Statement of financial position	5
Statement of changes in equity	6
Statement of cash flows	7
Notes to the financial statements	8 - 13
Directors' declaration	14
Independent auditor's report	15 - 16

## **Directors' Report**

### **For the year ended 30 June 2022**

The Directors present their report on Eastern Star (Australia) Foundation Ltd ("Foundation") for the 12 months ended 30 June 2022.

#### **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**

Charles Jonathan Nantes	(Chairman)
John Raymond Howard	(Deputy Chairman)
Beth Littler (appointed 11 November 2021)	(Secretary)
Leigh Rosemary Kennedy	
Elizabeth Alexandra Watt	
Roslynn Raye Black	
Victoria Louise Lister	

##### **Retired**

Carol Ann Carey (resigned 21 November 2021)

#### **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 \$259,591 (2021: surplus of \$215,309) 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 Board 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 2022**

**6. Board meetings**

The number of meetings of the Board of Directors held during the year ended 30 June 2022, and the number of meetings attended by each director were:

<b>Name</b>	<b>A</b>	<b>B</b>
Charles Jonathan Nantes	7	7
John Raymond Howard	7	7
Beth Littler	3	3
Leigh Rosemary Kennedy	7	7
Elizabeth Alexandra Watt	7	7
Roslynn Raye Black	7	6
Victoria Louise Lister	7	6
Carol Ann Carey	4	2

**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 2022 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:

  
Charles Jonathan Nantes  
Chairman

  
John Raymond Howard  
Deputy Chairman

10 November 2022




**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 2022 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 1<sup>st</sup> day of December 2022  
330 Collins Street, Melbourne.

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

---

**Statement of Profit or Loss and Other Comprehensive Income**  
**For the year ended 30 June 2022**

	Note	2022 \$	2021 \$
<b>Income</b>			
Investment income		543,959	471,213
Member dues		320	300
Interest income		709	3,872
Realised gain / (loss) on financial assets		131,036	124,493
		<b>676,024</b>	<b>599,878</b>
<b>Expenses</b>			
Grant payments		272,357	256,500
Accounting and secretariat		59,039	45,000
Consultancy expenses		4,165	8,015
Investment management fees		61,133	54,153
Legal expenses		3,160	5,226
Telephone and IT expenses		4,243	3,499
Other expenses		12,336	12,176
		<b>416,433</b>	<b>384,569</b>
<b>Surplus for the year</b>		<b>259,591</b>	<b>215,309</b>
<b>Other comprehensive income</b>			
Change in fair value of financial assets		(1,149,239)	1,036,965
<b>Total comprehensive income/(deficit) for the year</b>		<b>(889,648)</b>	<b>1,252,274</b>

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

---

**Statement of Financial Position**  
**As at 30 June 2022**

	Note	2022 \$	2021 \$
<b>Current Assets</b>			
Cash and cash equivalents	4	330,370	1,449,031
Trade and other receivables	5	302,902	133,246
<b>Total Current Assets</b>		<b>633,272</b>	<b>1,582,277</b>
<b>Non Current Assets</b>			
Financial Assets	6	10,626,170	10,550,063
<b>Total Non Current Assets</b>		<b>10,626,170</b>	<b>10,550,063</b>
<b>Total Assets</b>		<b>11,259,442</b>	<b>12,132,340</b>
<b>Current Liabilities</b>			
Trade and other payables	7	27,483	10,914
<b>Total Current Liabilities</b>		<b>27,483</b>	<b>10,914</b>
<b>Non Current Liabilities</b>			
Trade and other payables	7	180	-
<b>Total Non Current Liabilities</b>		<b>180</b>	<b>-</b>
<b>Total Liabilities</b>		<b>27,663</b>	<b>10,914</b>
<b>Net Assets</b>		<b>11,231,779</b>	<b>12,121,427</b>
<b>Equity</b>			
Retained Earnings		11,460,422	11,284,967
Reserves	8	(228,643)	836,460
<b>Total Equity</b>		<b>11,231,779</b>	<b>12,121,427</b>



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

---

**Statement of Changes in Equity**  
**As at 30 June 2022**

	Note	Retained Earnings	Financial Assets Reserve	Total
		\$	\$	\$
<b>Opening Balance at 1 July 2020</b>		11,069,658	(200,505)	10,869,153
Surplus/(Deficit) for the year		82,779	-	82,779
Correction to the prior period	10	132,530	-	132,530
Total other comprehensive income		-	1,036,965	1,036,965
<b>Closing Balance at 30 June 2021</b>		<b>11,284,967</b>	<b>836,460</b>	<b>12,121,427</b>
<b>Opening Balance at 1 July 2021</b>		11,284,967	836,460	12,121,427
Surplus/(Deficit) for the year		259,591	-	259,591
Transfer from retained earnings		(84,136)	84,136	-
Total other comprehensive income		-	(1,149,239)	(1,149,239)
<b>Closing Balance at 30 June 2022</b>		<b>11,460,422</b>	<b>(228,643)</b>	<b>11,231,779</b>

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

---

**Statement of Cashflows**  
**For the year ended 30 June 2022**

	Note	2022 \$	2021 \$
<b>Cash flows from Operating Activities</b>			
Receipts from members		680	300
Dividends and distributions received		378,061	294,044
Franking credits		-	48,219
Grants paid		(272,357)	(256,500)
Payments to suppliers		(130,736)	(121,009)
<i>Net cash from / (used in) operating activities</i>	8	<u>(24,352)</u>	<u>(34,946)</u>
<b>Cash flows from Investing Activities</b>			
Proceeds from sale of investments		2,115,449	4,875,762
Acquisition of investments		<u>(3,209,757)</u>	<u>(4,009,395)</u>
<i>Net cash from / (used in) investing activities</i>		<u>(1,094,308)</u>	<u>866,367</u>
<b>Net Movement in Cash Held</b>		(1,118,660)	831,421
<b>Cash and Cash Equivalents at 1 July</b>		<u>1,449,031</u>	<u>617,610</u>
<b>Cash and Cash Equivalents at 30 June</b>		<u><b>330,370</b></u>	<u><b>1,449,031</b></u>

**Notes to the Financial Statements**  
**For the year ended 30 June 2022**

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 XX October 2022.

The significant policies which have been adopted in the preparation of this financial report are:

**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.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

**2. Summary of significant accounting policies**

**(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 and bequests*

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

Bequests are recognised when the legacy is received. Revenue from legacies comprising bequests of shares or other property are recognised at fair value, being the market value of the shares or property at the date the entity becomes legally entitled to the shares or property.

*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.



**Notes to the Financial Statements**  
**For the year ended 30 June 2022**

**2. Summary of significant accounting policies (cont'd)**

**(a) Revenue (cont'd)**

*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) Goods and services tax (GST)**

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

**(d) 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 2022**

**2. Summary of significant accounting policies (cont'd)**

**(d) 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.

**(e) 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 Board evaluates estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the entity.

**Notes to the Financial Statements**  
**For the year ended 30 June 2022**

	2022 \$	2021 \$
<b>4. Cash and cash equivalents</b>		
Cash at bank	15,944	101,754
Cash at bank - investment account	314,426	1,097,277
Term deposits	-	250,000
	<u>330,370</u>	<u>1,449,031</u>
<b>5. Trade and other receivables</b>		
Investment income	159,550	86,529
Franking credits	139,879	46,293
GST receivable	3,473	424
	<u>302,902</u>	<u>133,246</u>
<b>6. Financial Assets</b>		
Australian equities	3,167,626	2,951,100
International equities	1,742,699	2,133,613
Fixed interest securities	2,667,951	2,926,163
Alternatives	3,047,894	2,539,187
	<u>10,626,170</u>	<u>10,550,063</u>
<b>7. Trade and other payables</b>		
<i>Current</i>		
Trade creditors	27,303	10,914
Prepaid income	180	-
	<u>27,483</u>	<u>10,914</u>
<i>Non Current</i>		
Prepaid income	180	-
	<u>180</u>	<u>-</u>
<b>8. Reserves</b>		
Opening balance	836,460	(200,505)
Increase/(decrease) in fair value of investments	(1,149,239)	1,036,965
Transfer from retained earnings	84,136	-
Closing balance	<u>(228,643)</u>	<u>836,460</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.		
<b>9. Auditor's Remuneration</b>		
Audit Fees	3,000	6,000
	<u>3,000</u>	<u>6,000</u>



**Notes to the Financial Statements**  
**For the year ended 30 June 2022**

**10. Correction to the prior period**

The prior year comparatives have been adjusted to account for income entitled to but not accrued for the year ended 30 June 2021.

	<b>2021</b>
	<b>\$</b>
<i>Statement of Profit or Loss and Other Comprehensive Income</i>	
Revenue as per audited financial statements	467,349
Correction to prior year	132,530
Adjusted revenue	<u>599,879</u>
 <i>Statement of Financial Position</i>	
Receivables as per audited financial statements	716
Correction to prior year	132,530
Adjusted receivables	<u>133,246</u>

**11. Notes to statement of cash flows**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Surplus/(Deficit) for the Year	259,591	215,309
 <i>Cash flows excluded from Operating Activities</i>		
Realised (gain) / loss on sale of financial assets	<u>(131,036)</u>	<u>(124,493)</u>
Total cash flows excluded from operating activities	(131,036)	(124,493)
 <i>Changes in assets and liabilities</i>		
(Increase) / decrease in receivables	(169,656)	(131,670)
Increase / (decrease) in payables	<u>16,749</u>	<u>5,908</u>
Total changes in assets and liabilities	<u>(152,907)</u>	<u>(125,762)</u>
 Total net cash provided by operating activities	<u>(24,352)</u>	<u>(34,946)</u>

**12. Contingencies**

In the opinion of the Directors, the entity did not have any contingencies at 30 June 2022 (30 June 2021: None).



**Notes to the Financial Statements**  
**For the year ended 30 June 2022**

**13. Members' Guarantee**

The entity 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 2022, the total amount that members of the entity are required to contribute, if wound up, is \$240 (2021: \$240).

**14. Responsible Persons**

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

**15. Related party transactions**

No related party transactions occurred during the year.

**16. 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 the responsible persons' opinion:

- (a) there are reasonable grounds to believe that the registered entity 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 Regulation 2013*.

  
-----  
**Charles Jonathan Nantes**  
Chairman

  
-----  
**John Raymond Howard**  
Deputy Chairman

**10 November 2022**

## **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 2022, 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, a summary of significant accounting policies 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 2022 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 Regulation 2013*.

#### **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.

#### **Other Matter**

The financial report of Eastern Star (Australia) Foundation Ltd for the year ended 30 June 2021 was audited by another auditor who expressed a qualified opinion on that report on 14 October 2021.

#### **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 1<sup>st</sup> day of December 2022  
330 Collins Street, Melbourne.





[www.easternstarfoundation.org.au](http://www.easternstarfoundation.org.au)