



2021/22 FINANCIAL REPORT

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022**

	Note	2022 \$	2021 \$
Revenue and other income			
Donation Revenue	3	266,410,388	501,145,108
Investment Income	4a	129,822,157	91,778,257
Revenue from Contracts with Customers	5	-	24,037,032
Grant Funding		4,577,467	5,353,778
Other Income		276,339	505,672
Total Revenue and other income		401,086,351	622,819,847
Expenditure			
PPE Expenditure		50,151	24,276,007
General and Administration		117,665	389,416
Projects and Partnerships	6	136,078,526	109,603,053
Investment Expenditure	4c	19,303,261	4,224,806
Other Expenses	7	23,164,531	6,173,277
Total Expenditure		178,714,134	144,666,559
Total Surplus for the year		222,372,217	478,153,288
Other Comprehensive (loss)/income			
Net (loss)/gain on equity instruments designated at fair value through other comprehensive income	4b	(281,430,477)	263,608,394
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR		(59,058,260)	741,761,682

Notes to the financial statements are included on pages v to xxiii

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Note	2022 \$	2021 \$
Current Assets			
Cash and Cash Equivalents	8	57,831,074	29,294,134
Trade and Other Receivables	9	36,949,811	20,478,865
Total Current Assets		94,780,885	49,772,999
Non Current Assets			
Property, Plant and Equipment	10	19,886,984	13,618,002
Financial Assets	11	2,472,867,670	2,602,070,538
Right of Use Asset	13	9,521,202	10,068,028
Intangibles		195,845	18,079
Total Non current Assets		2,502,471,701	2,625,774,647
Total Assets		2,597,252,586	2,675,547,646
Current Liabilities			
Trade and Other Payables	12	30,482,902	49,934,528
Deferred Revenue		100,000	300,000
Lease Liabilities	13	437,359	390,300
Employee Benefits		1,853,719	1,327,433
Total Current Liabilities		32,873,980	51,952,261
Non Current Liabilities			
Employee Benefits		361,453	222,985
Lease Liabilities	13	9,475,809	9,772,796
Total Non current Liabilities		9,837,262	9,995,781
Total Liabilities		42,711,242	61,948,042
NET ASSETS		2,554,541,344	2,613,599,604
Equity			
Contributions		51,255,294	51,255,294
Fair Value Reserve for Financial Assets at FVOCI	4b	165,468,597	446,899,074
Accumulated Surplus		2,337,817,453	2,115,445,236
TOTAL EQUITY		2,554,541,344	2,613,599,604

Notes to the financial statements are included on pages v to xxiii

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

	Contributions \$	Fair Value Reserve for Financial Assets at FVOCI \$	Accumulated Surplus \$	Total \$
Balance at 1 July 2020	51,255,294	183,290,680	1,637,291,948	1,871,837,922
Surplus for the year	-	-	478,153,288	478,153,288
Other Comprehensive Income	-	263,608,394	-	263,608,394
Total Comprehensive Income for the year	-	263,608,394	478,153,288	741,761,682
BALANCE AT 30 JUNE 2021	51,255,294	446,899,074	2,115,445,236	2,613,599,604
Balance at 1 July 2021	51,255,294	446,899,074	2,115,445,236	2,613,599,604
Surplus for the year	-	-	222,372,217	222,372,217
Other Comprehensive (loss)/income	-	(281,430,477)	-	(281,430,477)
Total Comprehensive (loss)/income for the year	-	(281,430,477)	222,372,217	(59,058,260)
BALANCE AT 30 JUNE 2022	51,255,294	165,468,597	2,337,817,453	2,554,541,344

Notes to the financial statements are included on pages v to xxiii

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
Cash flows (used in)/from operating activities			
Receipts from donations, contributions and other income		5,596,027	501,145,108
Receipts from customer		-	29,390,810
Receipts from dividends		84,812,806	85,361,318
Interest income received		21,602,707	21,533,100
Payments to suppliers, employees and others		(188,729,710)	(209,365,978)
Net cash flows (used in)/from operating activities	8a	(76,718,170)	428,064,358
Cash flows (used in) investing activities			
Cash paid for purchase of financial assets		(1,289,084,233)	(3,440,668,839)
Cash proceeds from sales of financial assets		933,581,815	3,371,242,539
Distributions received		8,094,988	-
Payments for property, plant and equipment		(8,860,010)	(12,153,551)
Cash flows (used in) investing activities		(356,267,440)	(81,579,851)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(432,985,610)	346,484,506
Cash and cash equivalents at 1 July		575,022,200	228,537,694
CASH AND CASH EQUIVALENTS AT 30 JUNE	8a	142,036,590	575,022,200

Notes to the financial statements are included on pages v to xxiii

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. Corporate Information

This report is a consolidated report of The Minderoo Foundation Trust (the “Trust” or “MFT”), aggregating the activities of The Minderoo Foundation Trust ABN 24 819 440 618, The Minderoo Foundation Trust as Operator of a PBI ABN 47 204 978 079, First Sourcing and Logistics Pty Ltd ABN 43 640 133 606, Collaborate Against Cancer Inc. EIN 82-4215683, Tanarra LTV Minderoo Co-Investment Trust 1 ABN 45 847 142 351, Minderoo Investments No 1 Unit Trust and Minderoo Investments No 2 Unit Trust ABN 26 696 461 945 (together, the “Group”). The principal activity of the Group is modern philanthropy.

The Trust established The Minderoo Foundation Trust as Operator of a PBI as an institution to operate in conjunction with the Trust in undertaking the benevolent projects of the Trust. The Trust established First Sourcing and Logistics Pty Ltd to account for the income and expenditure with respect to the Group’s response to the COVID-19 pandemic. The Trust established Tanarra LTV Minderoo Co-Investment Trust 1, Minderoo Investments No 1 Unit Trust and Minderoo Investments No 2 Unit Trust to execute the Group’s investment strategy. The Trust is also the sole member of an established charitable non-stock corporation incorporated in Delaware, USA, Collaborate Against Cancer Inc. Accordingly, the consolidated financial report aggregates the activities of these entities as a consolidated Group.

The Minderoo Foundation Trust and The Minderoo Foundation Trust as Operator of a PBI are both Deductible Gift Recipient (“DGR”) endorsed entities, primarily involved in benevolent activities. The Trustee of the Trust is Minderoo Foundation Limited (“Trustee”), formerly Minderoo Foundation Pty Ltd. This financial report was authorised for issue in accordance with a resolution of the Directors of the Trustee on 28 November 2022.

2. Significant Accounting Policies

(a) Basis of preparation and consolidation

This financial report is a special purpose financial report prepared for use by the Directors of the Trust and to fulfil the requirement of the Trust Deed and the *Australian Charities and Not-for-Profits Commission Act 2012*. The Group is a not-for-profit entity for the purposes of preparing these consolidated financial statements.

The requirements of Accounting Standards and other financial reporting requirements do not have mandatory applicability to the Trust because it is not a “reporting entity”. The Directors have determined that the entity is not a reporting entity as there are no users of the financial statements. These financial statements have been prepared in accordance with the recognition and measurement requirements specified by Australian Accounting Standards and Interpretations and the disclosure requirements of the following standards:

AASB 101 Presentation of Financial Statements
AASB 107 Statement of Cash Flows
AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors
AASB 1048 Interpretation of Standards
AASB 1054 Australian Additional Disclosures
AASB 10 Consolidated Financial Statements

The financial report has been prepared on an accrual basis and on the basis of historical cost and using the going concern assumption. Cost is based on the fair values of the consideration given in exchange for assets, except for certain financial instruments that are measured at fair values of each reporting period.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

2. Significant Accounting Policies (cont.)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of AASB 16 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as value in use in AASB 136 *Impairment of Assets*.

The financial statements of the Group are presented in the currency of the primary economic environment in which the Group operates (its functional currency). For the purpose of the financial statements, the results and financial position of the Group are expressed in Australian dollars ('\$'), which is the functional currency of the Group and the presentation currency for the financial statements.

Investment in Subsidiaries

A subsidiary is an entity that is controlled by another entity.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Generally, there is a presumption that a majority of voting rights results in control.

To support this presumption, and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee. The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The income statement and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated on consolidation.

Where appropriate, comparative information has been reclassified for consistency with the current year presentation.

New accounting standards and interpretations

The Group has adopted all new accounting standards and interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for annual reporting periods beginning 1 July 2021. The Group applied, for the first time effective 1 July 2021:

AASB 2021-2 Amendments to AASB 7, AASB 101, AASB 134 Interim Financial Reporting and AASB Practice Statement 2 Making Materiality Judgements – Disclosure of Accounting Policies

The amendments to AASB 101 Presentation of Financial Statements require disclosure of material accounting policy information, instead of significant accounting policies. The amendments to AASB Practice Statement 2 supplement the amendments to AASB 101 by illustrating how the four-step materiality process can identify material accounting policy information.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

2. Significant Accounting Policies (cont.)

AASB 2021-2 Amendments to AASB 108 – Definition of Accounting Estimates

The amendments to AASB 108 clarify the definition of an accounting estimate, making it easier to differentiate it from an accounting policy. The distinction is necessary as their treatment and disclosure requirements are different. Critically, a change in an accounting estimate is applied prospectively whereas a change in an accounting policy is generally applied retrospectively.

AASB 2020-1 Amendments to AASs – Classification of Liabilities as Current or Non-current

A liability is classified as current if the entity has no right at the end of the reporting period to defer settlement for at least 12 months after the reporting period. The AASB recently issued amendments to AASB 101 to clarify the requirements for classifying liabilities as current or non-current.

Accounting standards and interpretations issued but not yet effective

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Group for the annual reporting period ended 30 June 2022. The Directors have not early adopted any of these new or amended standards or interpretations. The Directors have not yet fully assessed the impact of these new or amended standards and interpretations, to the extent relevant to the Group.

Key accounting judgements and estimates

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Incremental borrowing rate (“IBR”)

The Group cannot readily determine the interest rate implicit in the lease accounting calculation, therefore, it uses its IBR to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group ‘would have to pay’, which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

Provision for expected credit losses (“ECLs”) of trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision matrix is initially based on the Group’s historical observed default rates. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group’s historical credit loss experience and forecast of economic conditions may also not be representative of customer’s actual default in the future.

Impairment of financial instruments

Impairment exists when the carrying value of an asset exceeds its recoverable amount.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

2. Significant Accounting Policies (cont.)

Investment in associates

A range of factors are considered in regards to determining whether the Group has significant influence over our investees. Minderoo has determined it does not have significant influence over any of our investees and has made judgements in regards to reaching this conclusion. Our judgements include but are not limited to, representation on boards, rights associated with our investment and ability to receive accurate and timely information.

(b) Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has concluded that it is the principal in its contractual arrangements with respect to the sale and purchase of personal, protective equipment.

The Group has concluded that it is the agent in its contractual arrangements with respect to the sale and purchase of medical equipment.

The normal credit term is 30 to 90 days upon delivery. The Group considers whether there are other promises in the contract that represent separate performance obligations to which a portion of the transaction price needs to be allocated (e.g. warranties, customer loyalty points). In determining the transaction price for the personal protective equipment and medical equipment, the Group considers the effects of variable consideration, existence of significant financing components, non-cash consideration and consideration payable to the customer (if any). The Group uses the expected value method to estimate the variable consideration given the large number of contracts that have similar characteristics.

(c) Donations and grants

Donations are recognised as revenue when received. If there are conditions attached to a grant which must be satisfied before the entity is eligible to receive the contribution, recognition of grant revenue is deferred until those conditions are satisfied. When the grant is received on the condition that specified services are delivered, the arrangement is considered a reciprocal transfer. Revenue is recognised as and when the services are rendered.

Donation of shares in-kind are recognised at the time of the donation based on the share price at the donation date. A corresponding investment in public securities is recognised at the time the shares are donated.

Donation of services in-kind are recognised at the time the donation is provided. Services donated are recorded at cost with a corresponding expense at the time the services were donated.

(d) Investment income

Investment income is measured at the value of the consideration received or receivable and comprises of dividend income, interest income, foreign income, fair value gains/(losses) on financial assets through profit or loss and distribution income. Dividend and distribution income is recognised when the right to receive a dividend or distribution has been established. Interest income is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

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

(e) Income tax

No provision for income tax has been raised as the Group is exempt from income tax under Div 50 of the *Income tax Assessment Act 1997*. First Sourcing and Logistics Pty Ltd, Minderoo Investments No 1 Unit Trust and Minderoo Investments No 2 Unit Trust are subsidiaries of the Group and are not tax exempt.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

2. Significant Accounting Policies (cont.)

(f) Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits held at-call with banks.

(g) Trade and Other Receivables

Trade and other receivables represent the Group's right to consideration that is unconditional. Receivables, which generally have terms of 30 days are recognised at fair value of the consideration receivable and subsequently measured at amortised cost using the effective interest method, less an allowance for any impairment in line with the ECL model. The Group applies a simplified approach in calculating ECLs and does not track changes in credit risk but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

(h) Inventory

Inventories are valued at the lower of cost and net realisable value. Cost represents the direct costs incurred in bringing each product to its present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Any inventory that is obsolete is written off to the profit and loss, as appropriate.

(i) Financial Instruments

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI), and fair value through profit or loss (FVTPL). The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus transaction costs.

Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price as disclosed in note 2(b) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Subsequent measurement

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

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

2. Significant Accounting Policies (cont.)

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss. This category includes financial assets which the Group had not irrevocably elected to classify at fair value through OCI. The Group's financial assets at fair value through profit or loss include investments in funds, unlisted entities and limited partnerships.

Financial assets at fair value through other comprehensive income (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Listed shares and listed redeemable notes held by the Group that are traded in an active market are classified as financial assets and are stated at fair value.

Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investments revaluation reserve, with the exception of impairment losses and interest calculated using the effective interest method, which are recognised in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss is recognised through other comprehensive income.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends on listed equity investments are recognised as investment income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial assets at fair value through other comprehensive income (debt instruments)

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

The Group's debt instruments at fair value through OCI includes investments in debt instruments included under non-current financial assets.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

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

Impairment of financial assets

The Group recognises an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

2. Significant Accounting Policies (cont.)

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

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

(j) Property, Plant & Equipment

Property Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is calculated on a straight-line and diminishing value basis over the estimated useful life of the asset as outlined below:

- Buildings and Improvements - over 19 to 40 years
- Leasehold Assets - over the term of the lease
- Boat and Motor Vehicles - over 3-15 years
- Furniture, IT, Property, plant and equipment - over 2-10 years

The assets' residual values, useful lives and amortisation methods are reviewed and adjusted if appropriate at each financial year end.

(k) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- The contract involves the use of an identified asset - this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;

- The Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
 - (i) the Group has the right to operate the asset; or
 - (ii) the Group designed the asset in a way that predetermines how and for what purpose it will be used.

This policy is applied to contracts entered into, or changed, on or after 1 July 2017. At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position immediately before the date of initial application.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

2. Significant Accounting Policies (cont.)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date,
- Amounts expected to be payable under a residual value guarantee, and
- The exercise price under a purchase option that the Group is reasonably certain to exercise; and
- Lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(l) Right of return assets and liabilities

A right-of-return asset is recognised for the right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods and any potential decreases in value. The Group updates the measurement of the asset for any revisions to the expected level of returns and any additional decreases in the value of the returned products. A refund liability is recognised for the obligation to

refund some or all of the consideration received (or receivable) from a customer. The Group's refund liabilities arise from customers' right of return. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

(m) Wages, Salaries and Annual Leave

Liabilities for wages and salaries expected to be settled within 12 months of reporting date are recognised in employee benefits in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

(n) Long Service and Annual Leave

The Group does not expect its long service leave and annual leave benefits provision to be settled wholly within 12 months of each reporting date. The Group recognises a liability for long service and annual leave measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on government bonds with terms to maturity and currencies that match as closely as possible, the estimated future cash outflows.

(o) Foreign Currencies

In preparing the financial statements, transactions in currencies other than the Group's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in profit or loss in the period in which they arise.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

3. Donation Revenue

	2022 \$	2021 \$
Donations in-kind	265,391,828	-
Donations received	1,018,560	501,145,108
TOTAL DONATION REVENUE	266,410,388	501,145,108

During the current financial year, 14,391,766 publicly listed shares were donated in-kind to the Foundation.

4a. Investment Income

	2022 \$	2021 \$
Dividend income	97,770,764	53,390,448
Interest income	19,147,883	17,694,576
Foreign income	9,734,531	9,182,998
Fair value gains on financial assets through profit or loss	9,450,222	6,961,491
(Loss) on sale of debt instruments at fair value through OCI	(27,588,909)	-
Foreign exchange movement for financial assets through profit or loss	997,904	-
Distribution income	12,327,763	4,548,744
Gain from sale of investments	7,981,999	-
TOTAL INVESTMENT INCOME	129,822,157	91,778,257

4b. Fair value reserve for financial assets through other comprehensive income

	2022 \$	2021 \$
Opening balance at 1 July	446,899,074	183,290,680
(Losses)/Gains on disposals of securities	(12,555,213)	46,542,182
Foreign exchange (losses)	(786,196)	(1,154,907)
Loss on sale of debt instruments at fair value through OCI	27,588,909	-
Unrealised (losses)/gains	(295,677,977)	218,221,119
Net (loss)/gain on equity instruments designated at fair value through other comprehensive income	(281,430,477)	263,608,394
CLOSING BALANCE AT 30 JUNE	165,468,597	446,899,074

4c. Investment Expenditure

	2022 \$	2021 \$
Impairment	13,363,701	-
Portfolio management fees	5,939,560	4,224,806
TOTAL INVESTMENT EXPENDITURE	19,303,261	4,224,806

The impairment noted above represents an adjusting subsequent event in relation to one of our unlisted investments.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

5. Revenue from Contracts with Customers

	2022 \$	2021 \$
Sales of personal protective equipment	-	24,037,032
TOTAL REVENUE FROM CONTRACTS WITH CUSTOMERS	-	24,037,032

During the year ended 30 June 2021, First Sourcing and Logistics Pty Ltd sourced and procured personal protective equipment from China for distribution within Australia during the COVID-19 pandemic. This personal protective equipment was subsequently supplied to others. Amount disclosed excludes GST.

6. Projects and Partnerships

	2022 \$	2021 \$
People	57,861,050	53,245,267
Planet	60,272,607	48,393,182
Impact	17,944,869	7,964,604
TOTAL PROJECTS AND PARTNERSHIPS EXPENSE BY PORTFOLIO	136,078,526	109,603,053
Projects and Partnerships expenses include:		
Direct Wages and salaries	17,148,120	11,457,508
Indirect Wages and salaries	5,921,675	12,490,089
Other employee expenses	2,404,425	2,019,854

The above disclosure includes an allocation of costs which represent integral support services to our projects and partnerships teams. In the current year, central functions team members completed surveys to reflect their time spent on projects and partnerships (2021: Allocation of costs was determined by the following key drivers; numbers of agreements, the number of invoices processed and the number of staff by initiative). Costs have been allocated on a reasonable and consistent basis.

7. Other Expenses

	2022 \$	2021 \$
Depreciation	1,865,592	1,377,498
Write down of fixed assets	184,251	-
Consultants and contractors	2,271,729	1,100,333
Interest expense on lease liability	405,088	418,259
Employee related costs	5,070,981	-
Other expenses	13,366,890	3,277,187
TOTAL OTHER EXPENSES	23,164,531	6,173,277

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

8. Cash and Cash Equivalents

	2022 \$	2021 \$
Cash at bank	57,831,074	29,294,134
TOTAL CASH AND CASH EQUIVALENTS	57,831,074	29,294,134

8a. Cash and Cash Equivalents Reconciliation

	2022 \$	2021 \$
Cash Flow Reconciliation		
Reconciliation of total surplus to the net cash flows from operations:		
TOTAL SURPLUS	222,372,217	478,153,288
Non-cash items:		
Fair value movements in financial assets	(9,450,222)	(6,961,491)
Losses on realisation of debt securities	27,588,909	-
Depreciation	1,865,592	1,377,498
Interest expense	405,088	418,259
Write down of fixed assets and capital work in progress	1,675,855	-
Impairment	13,363,701	-
(Gain)/loss on disposal of Investment	(7,981,999)	-
Donation in-kind	(265,391,828)	-
Other non-cash items	(25,529,899)	(14,501,802)
Changes in assets and liabilities:		
(Increase)/decrease in trade receivables and other assets	(16,648,712)	(4,872,650)
(Increase)/decrease in inventories	-	22,411,172
Increase/(decrease) in trade and other payables	(19,451,626)	(25,810,808)
Increase/(decrease) in other liabilities	464,754	(22,149,108)
NET CASH FLOWS (USED IN)/FROM OPERATING ACTIVITIES	(76,718,170)	428,064,358

For the purposes of the Statement of Cash Flows, cash includes cash at bank, together with cash held at call within the investment portfolio.

	Note	2022 \$	2021 \$
Cash Account Reconciliation			
Cash on hand in operating account	8	57,831,074	29,294,134
Cash on hand in investment portfolio		84,205,516	545,728,066
TOTAL CASH IN OPERATING AND INVESTMENT ACCOUNTS		142,036,590	575,022,200

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

9. Trade and Other Receivables

	2022 \$	2021 \$
Trade debtors	195,250	435,659
Imputation tax credits	29,944,521	16,153,249
Other receivables	6,191,479	3,579,755
Prepayments	618,561	310,202
TOTAL TRADE AND OTHER RECEIVABLES	36,949,811	20,478,865

Trade receivables are non-interest bearing and are generally on 30-day terms. A provision for impairment loss is recognised when there is objective evidence that an individual trade receivable is impaired. No impairment was recognised in the current period (2021: nil).

10. Property, Plant and Equipment

	Land & Buildings \$	Leasehold Assets \$	Motor Vehicles & Boats \$	IT & Office Equipment \$	Plant & Equipment \$	Capital work in progress \$	Total \$
Gross Carrying Amount							
Balances at 1 July 2021	2,598,823	125,630	159,965	420,530	1,789,039	9,099,717	14,193,704
Additions	-	-	-	481,071	357,739	8,021,200	8,860,010
Transfers in/(out)	13,634,593	(125,630)	52,727	639,293	1,417,467	(15,618,450)	-
Disposals/Write Off	(536)	-	(22,664)	(26,614)	(292,327)	(1,149,464)	(1,491,605)
Balances at 30 June 2022	16,232,880	-	190,028	1,514,280	3,271,918	353,003	21,562,109
Accumulated Depreciation							
Balances at 1 July 2021	(155,981)	(125,630)	(24,263)	(134,613)	(135,215)	-	(575,702)
Depreciation Expense	(475,294)	-	(24,800)	(247,666)	(426,562)	-	(1,174,322)
Transfers (in)/out	(125,630)	125,630	(4,193)	-	4,193	-	-
Disposals/Write Off	536	-	14,193	13,852	46,318	-	74,899
Balances at 30 June 2022	(756,369)	-	(39,063)	(368,427)	(511,266)	-	(1,675,125)
NET BOOK VALUE AT 30 JUNE 2022	15,476,511	-	150,965	1,145,853	2,760,652	353,003	19,886,984

Capital projects completed during the financial year relate to the construction of the Minderoo Exmouth Research Laboratory and fit-out of a property leased by the Group.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

11. Financial Assets

	2022 \$	2021 \$
Non Current		
Financial assets held at FVTPL	148,739,842	74,066,316
Debt instruments held at FVOCI	677,652,958	800,669,563
Financial assets held at FVOCI	1,646,474,870	1,727,334,659
TOTAL NON CURRENT FINANCIAL ASSETS	2,472,867,670	2,602,070,538

Management has assessed the recoverability of an investment within our portfolio and written down this investment to its recoverable amount.

11a. Financial Assets Held at FVTPL

	2022 \$	2021 \$
Opening balance at 1 July	74,066,316	21,435,367
Purchases	86,577,462	45,669,458
Disposals	(8,988,361)	-
Impairment	(13,363,701)	-
Fair value through profit and loss	9,450,222	6,961,491
Foreign exchange movement	997,904	-
CLOSING BALANCE AT 30 JUNE 2022	148,739,842	74,066,316

12. Trade and Other Payables

	2022 \$	2021 \$
Trade creditors	15,292,013	22,104,458
Accrual expense	10,989,951	27,190,020
PAYG tax payable	687,950	560,498
Other payables	3,512,988	79,552
TOTAL TRADE AND OTHER PAYABLES	30,482,902	49,934,528

Trade payables are non-interest bearing and are generally on 30 to 60 day terms.

As at 30 June 2021, other payables included a \$14.9 million liability relating to the Trust's constructive obligation to fund a remaining amount under a donation agreement with the University of Western Australia. At 30 June 2022, there is no liability remaining.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

13. Leases

	2022 \$	2021 \$
Right of Use Asset		
Opening balance at 1 July 2021	10,068,028	13,708,988
Additions during the year	144,444	-
Depreciation	(691,270)	(826,872)
Lease modification adjustment	-	(2,814,088)
Right of Use asset - 30 June 2022	9,521,202	10,068,028
Lease Liabilities		
Opening balance at 1 July 2021	10,163,096	13,802,942
Additions during the year	144,444	-
Interest expense	405,088	418,259
Lease liability reduction	(799,460)	(777,486)
Lease modification adjustment	-	(3,280,619)
Lease Liabilities - 30 June 2022	9,913,168	10,163,096
Classification		
Lease liability - Current	437,359	390,300
Lease liability - Non current	9,475,809	9,772,796
TOTAL	9,913,168	10,163,096

During the year, the Group has entered into an agreement with The University of Western Australia to lease Forrest Hall 2. This lease is a peppercorn lease with a term of 21 years.

14. Commitments

The Group's commitment to The University of Western Australia is nil (2021: \$11.5 million).

The Group holds investments to fund the expansion of various philanthropic objectives including the following key items:

- Domestic investment capital call commitment: \$61.5 million (2021: \$56.6 million)
- International investment capital call commitment: US\$41.4 million (2021: US\$38.5 million)
- International investment capital call commitment: EUR4.2 million (2021: EUR nil)

15. Contingencies

The Group has no contingent liabilities in place (2021: Nil)

16. Group Composition

The consolidated financial statements comprise the financial statements of the Group which include the aggregated activities of the Trust, The Minderoo

Foundation Trust as Operator of a PBI, First Sourcing and Logistics Pty Ltd, Tanarra LTV Minderoo Co-Investment Trust 1, Collaborate Against Cancer Inc., Minderoo Investments No 1 Unit Trust and Minderoo Investments No 2 Unit Trust.

As at 30 June 2022, the Trust holds a 33.3% (2021: 33.3%) membership interest in the Freedom Fund (the Fund), a non-profit corporation incorporated in Pennsylvania. This interest does not entitle the Trust to the underlying assets and liabilities of the Fund and as a result no amounts have been recognised in the Trust's 30 June 2022 financial statements (2021: Nil). In the event of liquidation or dissolution any remaining assets of the Fund shall be distributed in equal shares to the members to the extent that the assets are utilised for the Fund's approved purpose. During the year ending 30 June 2022, the Fund received grants totalling \$3.1 million (2021: \$2.8 million) from the Trust.

17. Parent Entity

Information relating to The Minderoo Foundation Trust, the Parent Entity is detailed below:

	2022 \$	2021 \$
Assets		
Current Assets	40,577,420	50,023,777
Non current Assets	2,545,811,401	2,619,167,543
Liabilities		
Current Liabilities	29,697,226	47,341,194
Non current Liabilities	9,475,809	9,772,796
Profit and loss		
Total Surplus for the year	216,486,406	479,785,727
Total Comprehensive (loss)/income	(64,944,071)	742,548,991

18. Subsequent Events

The Group's investment portfolio includes but is not limited to, shares with quoted market prices and unlisted investments.

Subsequent to year end and prior to the release of our 2022 financial statements, there have been significant movements in the market price of some of our listed securities within our investment portfolio and we received adverse qualitative information that indicated an investment within our unlisted portfolio is impaired. This investment has been written down to its recoverable amount in the 30 June 2022 financial statements.

19. Remuneration of auditors

The auditor of the Group is Ernst & Young (Australia). Ernst and Young (Australia) provided pro-bono audit services to the Group during the year ended 30 June 2022 to the value of \$220,000 (2021: \$200,000). During the year ended 30 June 2022, the following fees were paid or payable for services provided by the auditor of the Group, and its related practices.

	2022 \$	2021 \$
Ernst & Young		
Fees to Ernst & Young (Australia)	27,807	15,000
Fees for other assurance and agreed upon-procedures services	11,000	-
TOTAL AUDITOR'S REMUNERATION	38,807	15,000

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

20. Financial information of registered ACNC Charities and non-registered ACNC Entities

The financial information in the tables below reflect the financial results of the Group's subsidiaries which are not registered with the ACNC including First Sourcing and Logistics Pty Ltd, Collaborate Against Cancer Inc., Tanarra LTV Minderoo Co-Investment Trust 1, Minderoo Investments No 1 Unit Trust and Minderoo Investments No 2 Unit Trust.

Statement of profit or loss and other comprehensive income For the financial year ended 30 June 2022

	Registered Charities \$	Non-Registered Entities \$	Elimination \$	Consolidated Total \$
Revenue				
Government grants	4,577,467	-	-	4,577,467
Donations	266,410,388	-	-	266,410,388
Other revenue	118,144,270	11,165,663	512,224	129,822,157
Total revenue	389,132,125	11,165,663	512,224	400,810,012
Other income	276,339	-	-	276,339
TOTAL INCOME	389,408,464	11,165,663	512,224	401,086,351
Expenses				
Employee expenses	35,358,023	-	-	35,358,023
Grants and donations (in Australia)	56,103,870	-	-	56,103,870
Grants and donations (outside Australia)	21,121,987	-	-	21,121,987
Other expenses	65,877,844	252,410	-	66,130,254
Total expenses	178,461,724	252,410	-	178,714,134
Net surplus	210,946,740	10,913,253	512,224	222,372,217
Other Comprehensive (loss)	(281,430,477)	-	-	(281,430,477)
TOTAL COMPREHENSIVE (LOSS)	(70,483,737)	10,913,253	512,224	(59,058,260)

Statement of financial position as at 30 June 2022

	Registered Charities \$	Non-Registered Entities \$	Elimination \$	Consolidated Total \$
Assets				
Total current assets	44,141,146	55,885,327	(5,245,588)	94,780,885
Total non current assets	2,545,811,401	30,390,111	(73,729,811)	2,502,471,701
Total assets	2,589,952,547	86,275,438	(78,975,399)	2,597,252,586
Liabilities				
Total current liabilities	37,960,833	158,737	(5,245,590)	32,873,980
Total non current liabilities	9,837,262	-	-	9,837,262
Total liabilities	47,798,095	158,737	(5,245,590)	42,711,242
NET ASSETS/(LIABILITIES)	2,542,154,452	86,116,701	(73,729,809)	2,554,541,344

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

20. Financial information of registered ACNC Charities and non-registered ACNC Entities (cont.)

Statement of profit or loss and other comprehensive income For the financial year ended 30 June 2021

	Registered Charities \$	Non-Registered Entities \$	Elimination \$	Consolidated Total \$
Revenue				
Government grants	5,353,778	24,037,032	-	29,390,810
Donations	501,145,108	-	-	501,145,108
Other revenue	91,282,249	496,008	-	91,778,257
Total revenue	597,781,135	24,533,040	-	622,314,175
Other income	505,672	-	-	505,672
TOTAL INCOME	598,286,807	24,533,040	-	622,819,847
Expenses				
Employee expenses	25,967,451	-	-	25,967,451
Grants and donations (in Australia)	34,972,131	-	-	34,972,131
Grants and donations (outside Australia)	12,295,425	-	-	12,295,425
Other expenses	46,692,067	24,739,485	-	71,431,552
Total expenses	119,927,074	24,739,485	-	144,666,559
Net surplus/(deficit)	478,359,733	(206,445)	-	478,153,288
Other Comprehensive Income	262,763,263	845,131	-	263,608,394
TOTAL COMPREHENSIVE INCOME	741,122,996	638,686	-	741,761,682

Statement of financial position as at 30 June 2021

	Registered Charities \$	Non-Registered Entities \$	Elimination \$	Consolidated Total \$
Assets				
Total current assets	55,361,853	780,399	(6,369,253)	49,772,999
Total non current assets	2,619,167,543	10,020,631	(3,413,527)	2,625,774,647
Total assets	2,674,529,396	10,801,030	(9,782,780)	2,675,547,646
Liabilities				
Total current liabilities	51,820,703	6,500,811	(6,369,253)	51,952,261
Total non current liabilities	9,995,781	-	-	9,995,781
Total liabilities	61,816,484	6,500,811	(6,369,253)	61,948,042
NET ASSETS/(LIABILITIES)	2,612,712,912	4,300,219	(3,413,527)	2,613,599,604

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

21. Related Parties

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

		Revenue from related parties \$	Purchases from related parties \$	Amounts owed by related parties* \$	Amounts owed to related parties* \$
Associates and other related entities:					
Other related entities	2022	-	3,375,402	627,900	4,563,193
	2021	1,000,000	1,633,015	243,142	2,567,129
Key management personnel of the Group:					
Donations from Directors	2022**	264,808,494	-	-	-
	2021	500,000,000	-	-	-

* Amounts are classified as trade receivables or trade payables.

** Amounts represent donations from Directors and are classified as donation revenue. During the current financial year, 14,391,766 publicly listed shares were donated to the Foundation.

Terms and conditions of transactions with related parties

Outstanding balances at year-end are unsecured and interest free and settlement occurs either in cash or such other manner as agreed to the parties. There have been no guarantees provided or received for any related party receivables or payables.

For the year ended 30 June 2022, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (2021: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Commitments with related parties

Dr Andrew Forrest, as Chairman of Fortescue Metals Group Limited (“FMG”) and Minderoo Foundation Limited, is a related party of Minderoo Foundation Limited as trustee of the Trust. Dr Andrew Forrest is also the sole shareholder of Tattarang Pty Ltd which is the flagship entity for the Tattarang group of companies comprising, among others, Swan River Property Pty Ltd and Ocean Ecology Pty Ltd.

On 11 March 2021, the Trust entered into a revised minimum 10-year agreement ending 10 March 2031 with Swan River Property Pty Ltd to lease office premises and carpark premises for a combined total fee of \$0.8 million per annum. The fee was calculated following review of an independent market valuation commissioned by the Trust. Lease fees with respect to the office premises are subject to an increase of 3.25% per annum. The Trust has the opportunity to extend the lease period for another 5 years. Lease expenses paid during the period ended 30 June 2022 were \$0.8 million (30 June 2021: \$0.2m). This is also disclosed in the table above under ‘Purchases from related entities’.

The Trust entered into an agreement with Ocean Ecology Pty Ltd to hire the Pangaea Ocean Explorer vessel for a research voyage at a total charge of \$2.8 million (2021: \$1.6 million). This is also disclosed in the table above under ‘Purchases from related entities’.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

21. Related Parties (cont.)

Gifts in kind

During the current financial year 1 FMG employee was seconded for a period of 12 months to help rebuild communities impacted by the fires as an in-kind contribution towards the work of Minderoo Foundation Trust's Fire Fund Response (2021: 1 employee seconded).

Transactions with key management personnel

Other directors' interests

Donation

During the prior year, The Trust received a \$1.0 million cash donation from Fortescue Metals Group Limited.

Purchases

None noted.

Grants

During the year ended 30 June 2022:

- the Trust entered into a gift agreement with Minderoo Productions Limited to provide a donation of \$2.0 million which was paid during the year ended 30 June 2022. Tony Grist, director of Minderoo Foundation Limited is also a director of Minderoo Productions Limited;
- the Trust entered into a grant agreement with Centre of Humanitarian Dialogue to provide a cash grant of \$2.2 million (2021: \$1.5 million). Of the total grant amount, \$2.2 million was paid during the year ended 30 June 2022. Grace Forrest, director of Minderoo Foundation Limited is also a director of Centre of Humanitarian Dialogue;
- the Trust paid \$1.7 million in cash donations to The Freedom Fund (2021: \$2.8 million). Grace Forrest, director of Minderoo Foundation Limited is also a director of The Freedom Fund; and
- the Trust paid the Ian Potter Foundation rental costs of \$21,873 (2021: \$27,070). Allan Myers, director of Minderoo Foundation Limited is also Chancellor of University of Melbourne and Governor of Ian Potter Foundation.

	2022 \$	2021 \$
Compensation of key management personnel of the Group		
Total compensation paid to key management personnel	2,884,504	2,987,726

The amounts disclosed in the table above are the amounts recognised as an expense during the reporting period related to key management personnel. The directors of Minderoo Foundation Limited are not paid any fees for their services as directors.

TRUSTEE'S DECLARATION

In accordance with a resolution of the Directors of the Trustee, Minderoo Foundation Limited, I state that in the opinion of the Directors:

- (a) the Trust is not a reporting entity as defined in the Australian Accounting Standards;
- (b) the financial statements and notes of the Trust and Consolidated Group are in accordance with the Trust Deed and the *Australian Charities and Not-for-Profits Commission Act 2012*, including:
 - (i) giving a true and fair view of the Trust and Group's financial position as at 30 June 2022 and of their performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards to the extent described in Note 2 to the financial statements and complying with the *Australian Charities and Not-for-Profits Commission Regulation 2013*;
- (c) there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

On behalf of the Board

Co-Chair:

Nicola Forrest

Perth, 28 November 2022



Ernst & Young
11 Mounts Bay Road
Perth WA 6000 Australia
GPO Box M939 Perth WA 6843

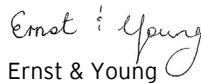
Tel: +61 8 9429 2222
Fax: +61 8 9429 2436
ey.com/au

Auditor's independence declaration to Minderoo Foundation Limited as the trustee of The Minderoo Foundation Trust

In relation to our audit of the financial report of The Minderoo Foundation Trust for the financial year ended 30 June 2022, and in accordance with the requirements of Subdivision 60-C of the *Australian Charities and Not-for-profits Commission Act 2012*, to the best of my knowledge and belief, there have been:

- a. no contraventions of the auditor independence requirements of any applicable code of professional conduct; and
- b. no non-audit services provided that contravene any applicable code of professional conduct.

This declaration is in respect of The Minderoo Foundation Trust and the entities it controlled during the financial year.


Ernst & Young



Fiona Drummond
Partner

28 November 2022



Ernst & Young
11 Mounts Bay Road
Perth WA 6000 Australia
GPO Box M939 Perth WA 6843

Tel: +61 8 9429 2222
Fax: +61 8 9429 2436
ey.com/au

Independent auditor's report to Minderoo Foundation Limited as the Trustee of The Minderoo Foundation Trust

Opinion

We have audited the financial report, being a special purpose financial report, of The Minderoo Foundation Trust (the Trust) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the trustee's declaration.

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

- a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2022 and of its consolidated financial performance for the year ended on that date; and
- b. Complying with Australian Accounting Standards to the extent described in Note 2a, and the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of matter – basis of accounting

We draw attention to Note 2a to the financial statements, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the trustee's financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Information other than the financial report and auditor's report thereon

The trustee is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial report and our auditor's report thereon.

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



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

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

Responsibilities of the trustee for the financial report

The trustee of the Trust is responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 2a to the financial statements is appropriate to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and is appropriate to meet the needs of the trustee. The trustee's responsibility also includes such internal control as the trustee 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 trustee is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the trustee either intends to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

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

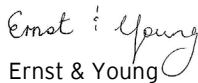
As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustee.



- ▶ Conclude on the appropriateness of the trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 Group 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.
- ▶ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the trustee 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.


Ernst & Young



Fiona Drummond
Partner
Perth

28 November 2022



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