

# Concise Financial Report 2020

<b>Income statement</b> for the year ended 30 June	<b>2020</b>	<b>2019</b>
	\$'000	\$'000
<b>Revenue</b>		
Interest	62	91
Dividends and distributions	3,281	8,810
Imputation credits	1,140	3,580
Less capital components	0	(4,116)
<b>Net investment revenue</b>	<b>4,483</b>	<b>8,365</b>
Other revenue	155	47
<b>Less expenses</b>		
Equity Trustees Limited fees	(591)	(558)
Co-trustee fees	(4)	(4)
Other expenses	(86)	(29)
<b>Net income available for granting</b>	<b>3,958</b>	<b>7,821</b>
<b>Grants paid</b>	<b>6,797</b>	<b>7,411</b>
<b>Surplus/(deficit)</b>	<b>(2,839)</b>	<b>410</b>

## Granting Policy

Each year's net income is to be distributed to charitable causes which qualify under the terms of the Will of William Buckland. The deficit for the 2020 financial year arises from the distribution in the current year of a substantial proportion of the income of the prior year. As such, the deficit is funded from retained earnings. The Foundation cannot distribute capital.

**Dividends and Distributions** are shown net of investment management fees. For this year, fees paid to the investment managers totalled \$632,754.

## Management Expense Ratio

Expenses and investment management fees as a percentage of average trust funds was 1.04% (2019 0.95%).

<b>Balance sheet</b> as at 30 June	<b>2020</b>	<b>2019</b>
	\$'000	\$'000
<b>Assets</b>		
Cash	4,649	4,568
Receivables	3,460	4,874
Loans	200	400
Investments	116,360	125,545
<b>Total</b>	<b>124,669</b>	<b>135,387</b>
<b>Liabilities</b>		
Payables	(226)	(242)
<b>Net assets</b>	<b>124,443</b>	<b>135,145</b>
<b>Trust funds</b>		
Capital funds	118,872	126,647
Retained earnings	5,571	8,498
<b>Total trust funds</b>	<b>124,443</b>	<b>135,145</b>

## Investment Approach

As the Foundation is a perpetual trust, the Trustees consider that the amount available for distribution will be maximised over time if a relatively high proportion of the capital is invested in growth assets, particularly equities. Over ten years, the capital value of the fund has grown from \$90 million to \$124 million. This includes in the current year a transfer of \$1.6 million from an annuity trust.

## Investment Management

The Foundation utilises investment professionals to manage the investment assets of the Foundation either directly or through wholesale investment funds, within asset allocation guidelines set by the Trustees. During the year, following a formal review, the Foundation appointed as its investment managers: Cooper Investors Pty Ltd, Equity Trustees Wealth Services Limited and Evans and Partners.

## Impact Investing

The Trustees have agreed that up to 5% of the Foundation's portfolio may be committed to impact investments. Current impact investments total \$500,000.