



THE
LADY MUSGRAVE
TRUST

QUEENSLAND'S OLDEST
CHARITY AND A **CHAMPION**
FOR HOMELESS WOMEN

FINANCIAL REPORT 2020

The Lady Musgrave Trust - A Company Limited by Guarantee - ACN 010612272



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Our Purpose

That Queensland's women and their children are free from homelessness – to live safe and fulfilled lives.

Our Vision

Our Core Values

Supporting our vision and providing a cohesive identity for our stakeholder groups as follows:

1. Hope and compassion for the safety of others, especially being responsive to women in need.
2. Respect and relevance to the community is essential for the Trust to gain the recognition and support necessary for its continued growth and service to young women.
3. Collaboration wherever the Trust can gain benefits for the homeless.
4. Commitment to drive change and improvement.

Our Role and Purpose

The Lady Musgrave Trust is committed to helping homeless women and children throughout Queensland to renew their lives. We aim to be innovative and creative as we advocate for the homeless; collaborate with the sector; and inform the community – whilst always focusing on helping to break the cycle of homelessness.

Our Working Environment and Challenge

There are close to 10,000 women throughout Queensland impacted by homelessness at any time as a result of complex matters such as domestic violence, poverty, mental or physical issues. The homelessness sector continues to face ongoing challenges with continual policy reforms across Government. The shortage of safe accommodation for women remains a challenge, particularly as the prevalence of domestic violence increases. The key to successful progress for the Trust and communities sector is the need to be flexible, self-reliant, innovative and increasingly collaborative.

Since being established in 1885, and as Queensland's oldest charity, our priority has always been to provide accommodation and services to young women in need. Our Queensland-wide Handy Guide for Homeless Women, mobile app, and Forum have created a platform for greater participation by community and state-wide businesses in resolving the homelessness issue. This collaborative approach will ultimately lead to sustainable futures for women and a reduction on State-wide resources.

Our Service

Every year we work hard to deliver a range of services that will improve the lives of homeless (or near homeless) women and their children through the provision of essential and often life changing accommodation, supporting services and vital information. To facilitate delivery of the Trust's mission, we focus on the following three areas:

1. Accommodating homeless young women safely and cost effectively through partnerships;
2. Empowering women across Queensland by providing them with information about vital and life-saving services available across the State.
3. Strengthening, informing and collaborating with the community and sector to help break the cycle of homelessness for all women in Queensland.

We are diligent about ensuring our sustainability – We strive to be a strong, resilient and sustainable organization that is responsive to change and can maximise its contribution to the people of Queensland.

Our Effectiveness

We will measure the effectiveness of The Lady Musgrave Trust by the:

- » Successful implementation of our core services to clients
- » Satisfaction with our services by our clients and partners
- » Implementation of partnership activities that will sustain the future of the Trust
- » Expanded visibility and image of the Trust in the community

Directors' Report



Director Details:

The Directors of The Lady Musgrave Trust present this report with the financial statements of the company for the financial year ended December 31 2020. The following persons were directors of the company during the whole of the financial year and up to the dates of this report, unless otherwise stated.

Patricia McCormack - *President*

Appointed 17.05.12

Experienced Director, Senior HR Executive in finance and IT industries and a Management Consultant currently managing her own consultancy, People Focus. Holds a Bachelor Degree from Queensland University with a major in Organisational Psychology and Industrial Relations.



Jocelyn Monique - *Treasurer*

Appointed 30.10.20

With more than 30 years' experience in finance and 10 years' board experience, Jocelyn has a solid reputation as a senior finance executive and trusted advisor for Boards and business owners. Jocelyn has held a number of Finance Director roles throughout Europe, Africa and Asia. She is a Fellow of the Institute of Chartered Accountants, a Certified Member of the Governance Institute of Australia and a Member of the Australian Institute of Company Directors.



David Callaghan - *Director*

Appointed 20.8.15

Partner at Mullins Lawyers and has expertise in corporate and business advisory with a particular focus on mergers and acquisitions. Has provided advice to a number of Boards in the not-for-profit and charity sector, particular with Corporations Act and other regulatory compliance as well as risk minimisation strategies and policy.



Jennifer Clark - *Director*

Appointed 18.10.18

Experienced in development and management of social and affordable housing gained throughout her career in both the Queensland public sector and community organisations. A member of the Queensland Community Housing Standards and Accreditation Council, served as Queensland Director on the Board of the Australasian Housing Institute, and was a long term Director of the Monte Carlo Caravan Park.



Dr Louise Kelly - *Director*

Appointed 13.11.2017

Senior Lecturer at the QUT Business School and teaches and researches in the digital advertising and marketing discipline. Her research areas are social media, integrated marketing communications and privacy online. Holds a Bachelor of Business degree majoring in Marketing, a Masters degree, a Doctorate of Philosophy and is a Senior Fellow of the Higher Education Academy.



Belinda Carroll - *Director*

Appointed 20.06.2019

National Senior Manager of Events (Corporate Affairs) at the Suncorp Group, and more than 15 years' experience in business development, fundraising, partnership, event coordination, stakeholder engagement, and project management within both the corporate and not-for-profit sectors. Holds a degree in Sport Development and Event Management.



Allison McKelvie – *Director*

Partner at Hall Browns Accountants and has over 25 years' experience in taxation and business services. Allison provides strategic taxation and business advice to a wide range of clients and knows that playing an active role in client's businesses and focussing on their long term goals and financial well-being is key to any client relationship. Allison holds a Bachelor of Business, is a member of the CPA's, a registered tax agent and licensed SMSF adviser. As a female in business both employing women and supporting female clients, Allison is looking forward to bringing financial skills gained in Public Practice to young women who are less fortunate.



Joy Williams - *Treasurer*

Appointed 9.2.15 - Resigned 30.9.20

Experienced executive spanning public and private sector organisations in senior financial and operational roles across a wide range of industries. Holds a Bachelor of Commerce, Graduate Diploma in Business Administration, is a Fellow of CPA Australia and a Member of both the Australian Institute of Company Directors and the Queensland Justices Association.



Jeannette Scott- *Company Secretary*

Appointed 21.03.18

Solicitor with over 15 years in the regulatory environment, focusing on the charity and NFP sectors, and including senior in-house counsel roles with the National Heart Foundation, and ADMA (the Association for Data-Driven Marketing and Advertising). Member of various professional bodies including ACLA (Australian Corporate Lawyers Association), GRCI (Governance Risk and Compliance Institute), and iappANZ (International Association of Privacy Professionals Australia New Zealand).



Pixie Annat – *Business Advisor*

Resigned as Director 19.5.16. Currently Business Advisor.

Experienced Director, former Director of Nursing and CEO of St Andrews War Memorial Hospital, Former Director of TriCare Limited and former Federal President of the Royal Australian Nursing Federation.

Directors' Report

Directors' Meetings

The number of Directors' meetings held during the year and the number of meetings attended by each Director were as follows:

	Eligible	Attended
Patricia McCormack	8	8
Joy Williams	6	5
Jocelyn Monique	2	2
Jeanette Scott	8	8
David Callaghan	8	6
Louise Kelly	8	8
Jennifer Clark	8	7
Belinda Carroll	8	6
Allison McKelvie	8	8

Board appointments & resignations

Joy Williams (Treasurer) - resigned effective 30 September 2020

Jocelyn Manique (Treasurer) - appointed effective 1 October 2020

Contribution to Winding Up

The Company does not have share capital and no member is entitled to participate in sharing or benefitting from the profits of the company. The liability of the members is limited to an amount which is not to exceed \$100 per member in the event the company is wound up.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is included in this report and forms part of the Directors' Report.

Signed in accordance with the resolution of the Directors On behalf of the Directors



Ms Patricia McCormack

Director

Brisbane, 30 April 2021

Directors' Declaration

In the Directors' opinion:

1. There are reasonable grounds to believe that the company is able to pay all of its debts as and when they become due and payable, and
2. 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-Profits Commission Regulation 2013.



Ms Patricia McCormack

Director

Brisbane, 30 April 2021

Statement of Financial Position

As at 31 December 2020

	Note	2020 \$	2019 \$
Current Assets			
Cash and cash equivalents	3	1,609,049	1,551,805
Trade and other receivables	4	49,575	38,777
Total Current Assets		<u>1,658,624</u>	<u>1,590,582</u>
Non-Current Assets			
Property Plant and Equipment	5	2,913,824	2,979,604
Total Non-current Assets		<u>2,913,824</u>	<u>2,979,604</u>
Total Assets		<u>4,572,448</u>	<u>4,570,186</u>
Current Liabilities			
Trade and other Payables	6	50,855	78,318
Total Current Liabilities		<u>50,855</u>	<u>78,318</u>
Net Assets		<u>4,521,593</u>	<u>4,491,868</u>
Equity			
Capital Reserves	8	2,000,000	2,000,000
Retained Profits		2,521,593	2,491,868
Total Equity		<u>4,521,593</u>	<u>4,491,868</u>

The Statement of Financial Position is to be read in conjunction with the attached notes.

Statement of Profit or Loss and Other Comprehensive Income

For year ended 31 December 2020

	Note	2020 \$	2019 \$
Revenue and other income			
Revenue	2	516,678	383,065
Interest Income	2	20,215	41,456
Other income	2	69,304	-
Total revenue and other income		<u>606,197</u>	<u>424,521</u>
Operating expenses			
Supported accommodation expenses		142,231	142,732
Depreciation expense	2	70,795	71,359
Administration expenses		297,773	251,122
Marketing expenses		65,673	36,372
Total expenses		<u>576,472</u>	<u>501,585</u>
Surplus/(deficit) for the period		<u>29,725</u>	<u>(77,064)</u>
Other Comprehensive Income			
Total other comprehensive income for the year		-	-
Total comprehensive income for the year		<u>29,725</u>	<u>(77,064)</u>

The Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the attached notes.

Statement of Changes in Equity

For year ended 31 December 2020

	Note	2020 \$	2019 \$
Capital Reserve			
Balance as at 1 January 2020		2,000,000	2,000,000
Movement		-	-
Balance as at 31 December 2020	8	2,000,000	2,000,000
Retained Profits			
Retained Profits			
Balance as at 1 January 2020		2,491,868	2,568,932
Deficit for the year		29,725	(77,064)
Other comprehensive income for the year			-
Total Comprehensive Income		29,725	(77,064)
Balance as at 31 December 2020		2,521,593	2,491,868
Total		4,521,593	4,491,868

The Statement of Changes in Equity is to be read in conjunction with the attached notes.

Statement of Cash Flows

For year ended 31 December 2020

	Note	2020 \$	2019 \$
Cash flows from operating activities			
Receipts from members and customers		514,762	410,790
Interest received		36,793	37,344
Payments to suppliers		(505,264)	(466,495)
GST recovered/(Paid)		15,843	
Net cash provided (used) by operating activities	9b	62,134	(18,361)
Cash flows from investment activities			
Purchase of property, plant and equipment		(4,889)	(4,453)
Net cash used in investment activities		(4,889)	(4,453)
Total Cash Provided By (used in) from Activities		57,244	(22,814)
Cash Held at Beginning of Financial Year		1,551,805	1,574,619
Cash Held at End of Financial Year	9a	1,609,049	1,551,805

The Statement of Cash Flows is to be read in conjunction with the attached notes.

For year ended 31 December 2020

Company Information

The Lady Musgrave Trust's principal activities were to help homeless women and their children renew their lives. Such activities included providing appropriate accommodation and support services through partnerships, providing appropriate information to homeless women, influencing the development of government policies about housing and collaborating with sector providers in a way that improves homelessness outcomes.

The financial statements cover The Lady Musgrave Trust as an individual entity, incorporated and domiciled in Australia. The Lady Musgrave Trust is a company limited by guarantee.

The financial statements for the year ended 31 December 2020 were authorised for issue by the company on 30 April 2021.

1. Summary of Accounting Policies

Basis of Preparation

The company have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users who are dependent on its general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Australian Charities and Not-for-profits Commission Act 2012. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of 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' and AASB 1054 'Australian Additional Disclosures', as appropriate for not-for-profit oriented entities.

The financial statements are prepared on a going concern and accruals basis. The financial statements are prepared on the historical cost basis unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. All amounts are presented in Australian Dollars and have been rounded to the nearest dollar.

(a) Going concern

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

The directors consider it appropriate to prepare the financial statements on a going concern basis at 31 December 2020 after taking into consideration that The Lady Musgrave Trust has sufficient cash resources to maintain core operations for at least the next twelve months.

The principal accounting policies adopted in the preparation of the financial statements are set out here within. These policies have been consistently applied to all the years presented, unless otherwise stated except for the change accounting policies stated below.

(b) New and amended standards and interpretations adopted

The Lady Musgrave Trust has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. There are no other new interpretations expected to have any significant impact on the company's financial report that are issued and not yet applicable.

(c) Revenue Recognition

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Rental Income

Rental income on properties is accounted for on a straight-line basis over the lease term. Contingent rentals are recognised as income in the periods when they are earned.

Fundraising and Donations

Revenue from fundraising, including donations, is recognised when received or receivable.

Interest

Interest income is recognised as interest accrues using the effective interest method. The effective interest method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.

Grants

Revenue from government grants received under enforceable agreements, where there are sufficiently specific performance obligations imposed, is deferred until the obligations are satisfied. If the performance obligations are not sufficiently specific, revenue will be recognised upon receipt.

Capital grants are recognised as income when (or as) it satisfies its obligations under the transfer. Capital grants are type of grants where the company receives a financial asset to acquire or construct a non-financial asset to identified specifications; retains control of the non-financial asset (i.e. for its own use); and the transaction is enforceable.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Insurance claims proceeds

During the year, an insurance claim of \$30,293 relating to property damage has been approved by the insurer and has been received subsequent to reporting date. This insurance recovery amounts was recorded as other income (refer to Note 2) and corresponding expenses have, where appropriate, been included in the Statement of profit or loss and comprehensive income with payments for capital items have been included in the property, plant and equipment

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

(d) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Supported accommodation expenses are those incurred in providing support services and maintaining the premises.

Depreciation expense pertains to depreciation charged in respect of the

accommodation premises including the building and furniture and fittings.

Administration expenses are those incurred in the administration of the company and compliance with constitutional and statutory requirements.

Marketing expenses are those incurred in communications and public relations activities. Fundraising activities are those incurred in seeking voluntary contributions by donation. As well as any events held throughout the year.

(e) Income Tax

The company is a charitable institution for the purposes of Australian taxation legislation and is therefore exempt from income tax. This exemption has been confirmed by the Australian Taxation Office. The company holds deductible gift recipient status.

(f) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

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

(g) Accounts Payable

Trade payables and other accounts payable are recognised when the company becomes obliged to make future payments resulting from the purchase of goods and services.

(h) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost less, where applicable, accumulated depreciation and impairment losses. Depreciation is calculated on the diminishing value basis over the asset's useful life. The depreciation rates used are as follows:

Buildings	2.5%
Furniture and Fittings	25%

(i) Impairment of Property Plant and Equipment

At each reporting date, the group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the Statement of Comprehensive Income.

(j) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(k) Trade and Other Receivables

Trade accounts receivable, amounts due from related parties and other receivables represent the principal amounts due at balance date plus accrued interest and less, allowance for expedited credit losses.

Continued... Notes to the Financial Report

For year ended 31 December 2020

2. Revenue, Other Income and Expenses

	2020	2019
	\$	\$
Revenue		
Grants	227,727	66,778
Fundraising	84,065	97,131
Donations and bequests	67,873	82,213
Rent received	136,730	136,603
Membership	283	340
Total Revenue	516,678	383,065
Other income - government grant	39,011	-
Other income - insurance claim proceeds	30,293	-
Total other income	69,304	-
Interest Income	20,215	41,456
	606,197	424,521
Operating expenses		
Depreciation - Building	64,201	64,407
Depreciation - Furniture	6,594	6,952
	70,795	71,359

3. Cash and Cash Equivalents

	2020	2019
	\$	\$
Bank accounts and bank deposits at an average interest rate of 1.37% (2019: 1.86%)	1,609,049	1,551,805
	1,609,049	1,551,805

Continued... Notes to the Financial Report

For year ended 31 December 2020

4. Trade and Other Receivables

	2020	2019
	\$	\$
Interest accrued	2,095	18,673
Prepayments	13,022	16,286
Refundable goods and services tax	4,165	3,818
Accrued Income - Insurance Claim	30,293	-
	<u>49,575</u>	<u>38,777</u>

5. Property, Plant and Equipment

	2020	2019
	\$	\$
Land at Cost	<u>611,809</u>	<u>611,809</u>
Building at Cost	2,568,039	2,568,039
Accumulated Depreciation	<u>(289,333)</u>	<u>(225,338)</u>
Written Down Value	<u>2,278,706</u>	<u>2,342,701</u>
Furniture & Fittings at Cost	58,012	53,122
Accumulated Depreciation	<u>(34,703)</u>	<u>(28,028)</u>
Written Down Value	<u>23,309</u>	<u>25,094</u>
Total Land, Buildings & Equipment	<u>2,913,824</u>	<u>2,979,604</u>

For year ended 31 December 2020

6. Trade and other Payables

	2020	2019
	\$	\$
Accounts Payable	25,288	1,107
PAYG Payable	2,882	2,999
Superannuation Payable	3,015	2,949
Accruals	19,670	21,263
Contract liability	-	50,000
	50,855	78,318

7. Contributed Equity

The company does not have share capital and no member is entitled to participate in sharing or benefitting from the profits of the company. The liability of the members is limited to an amount which is not to exceed \$100 per member in the event the company is wound up. The members of the company, by virtue of its Articles of Association, are to pay an annual subscription of an amount determined by the company.

8. Capital Reserve

Following a judgement made by the Supreme Court of Queensland in 1985, the Committee of the Lodge, at the time and prior to the formation of the company, resolved to maintain a reserve fund of at least \$300,000. During previous years, amounts have been transferred to this fund taking into account inflation and the sale of the company's property assets. The balance at the end of the previous financial year was \$2,000,000. There has been no movement during the current financial year.

9. Notes to Statement of Cash Flow

(a) Reconciliation of Cash

For the purpose of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments. Cash at the end of the financial year as shown in these statements of cash flows is reconciled to the related items in the statement of financial position as follows:

	2020	2019
	\$	\$
Cash on deposit		
Cash at bank and on hand	1,609,049	1,551,805
	1,609,049	1,551,805

(b) Reconciliation of Profit from ordinary activities after related income tax to net cash flows from operating activities

	2020	2019
	\$	\$
Defecit for the year	29,817	(77,064)
Depreciation expense	70,669	71,359
Increase/(Decrease) in payables	(27,901)	(5,151)
(Increase)/Decrease in receivables (including deposits)	(10,451)	(7,505)
Net Cash from (used) in operating activities	62,134	(18,361)

10. Auditors Remuneration

	2020	2019
	\$	\$
Auditing the financial report	1,700	1,600
	1,700	1,600

11. Related Parties and Related Party Transactions

The Directors act in an honorary capacity. During the year, the Directors received no compensation for their services.

12. Capital Commitments

As at 31 December 2020 and 31 December 2019, the company had no capital commitments.

13. Events After the Reporting Date

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

14. Additional Company Information

The Lady Musgrave Trust is a company limited by guarantee and operates in Queensland, Australia

Registered Office and Principal Place of Business

C/- Suite 154, 16-18 Beenleigh Redland Bay Road
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Phone 07 3806 1220

Auditor's Declaration of Independence



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GPO Box 457 Brisbane QLD 4001
Australia

DECLARATION OF INDEPENDENCE BY K L COLYER TO THE DIRECTORS OF THE LADY MUSGRAVE TRUST

As lead auditor of The Lady Musgrave Trust for the year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of section 60-40 of the *Australian Charities and Not-for-profit Commission Act 2012* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'K L Colyer', is written over a light grey circular watermark.

K L Colyer
Director

BDO Audit Pty Ltd

Brisbane

30 April 2021

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

INDEPENDENT AUDITOR'S REPORT

To the members of The Lady Musgrave Trust

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of The Lady Musgrave Trust (the company), which comprises the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

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

- (i) Giving a true and fair view of the company's financial position as at 31 December 2020 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards to the extent described in Note 1 and Division 60 of 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 company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of matter - Basis of accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the company's financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in The Lady Musgrave Trust's 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 on the other information obtained prior to the date of this auditor's report, 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 directors for the Financial Report

The directors of the company 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 ACNC Act. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a 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 relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company 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.



A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'K L Colyer', is written over a faint, light-colored BDO logo. The signature is contained within a thin black rectangular border.

K L Colyer
Director

Brisbane, 30 April 2021

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