

# **The Oaktree Foundation Australia**

**ACN: 129 680 584**

## **Consolidated financial report**

For the year ended 31 December 2021

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**THE OAKTREE FOUNDATION AUSTRALIA**  
**ACN: 129 680 584**

**DIRECTORS' REPORT**

The directors present their report together with the financial report of The Oaktree Foundation Australia ("Oaktree"), for the year ended 31 December 2021 and auditor's report thereon.

**Information about the Directors and senior management**

The names of the directors in office at any time during the year are:

**Heidi Michael (Resigned 17 December 2021)**

*Chair*

Heidi Michael has over 12 years' experience in the sustainability, water and sanitation industries in a variety of contexts in Australia and Asia Pacific region, using participatory approaches to lead, manage and deliver quality, sustainable and appropriate solutions to clients and low-income communities. Heidi has worked on WASH programs in Timor-Leste, Cambodia, Vanuatu, Indonesia across the Asia Pacific region, as well as with Aurecon in the Australian engineering sector. She has a Bachelor of Engineering (Environment)(Hons) and an MSc in Water and Waste Engineering (WEDC), with research on accessible WASH facilities.

**Matt Nguyen (Resigned 24 April 2021)**

Matthew Nguyen is the Co-Founder of Action for Health, a civic engagement initiative that explores issues at the intersection of urban planning and public health and is passionate about driving grass-roots activism to realise more systemic change. He holds a Science degree from the University of Melbourne and is currently completing his Honours thesis researching vaccination policy at the Burnet Institute.

**Hayley Cull (Resigned 07 September 2021)**

*Chair of Fundraising Advisory Committee*

Hayley is Executive Director of Advocacy and Community Engagement at Plan International Australia. She has led campaigns on child rights, international development and gender equality, working with UNICEF, Plan International and various other NGOs in Australia, the UK and internationally. With a background in journalism, campaigning and communications strategy, she is passionate about working with young people to create change.

**Shani Cain (Resigned 31 Jan 2021)**

*Chief Executive Officer*

Shani is currently the Chief Executive Officer at Oaktree and holds a Bachelor of Commerce and International Studies (IR), in addition to a Masters in Humanitarian Assistance at Deakin University. She is passionate about the intersectionalities between climate and development and specifically focuses on the impact this has on youth and gender.

**Finbar Piper (Appointed 27 January 2021)**

Finbar is a former Oaktree volunteer, working on campaigns and political engagement in 2016-17. He is now a government lawyer and holds a Juris Doctor and Bachelor of Arts from the University of Melbourne. He is an advocate for civic engagement and youth participation in decision-making forums, and was appointed as a Youth Commissioner for the National Youth Commission's Inquiry into Youth Employment and Transitions from 2018 to 2021.

**Elyse McInerney (Appointed 27 January 2021)**

Elyse is a program manager with a key focus on gender equality and feminist development practice. Her previous portfolios have included projects on employment, gender-based violence, financial capability, women's leadership, regional and international advocacy, coalition strengthening, education, child protection and humanitarian response. She is particularly passionate about ensuring lived experiences inform program practice and advocacy work.

**THE OAKTREE FOUNDATION AUSTRALIA**  
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**DIRECTORS' REPORT**

**Information about the Directors and senior management (Continued)**

**Thenu Herath** (Appointed 01 February 2021)

*CEO*

Thenu stepped up to be Oaktree's CEO in January 2021, bringing three years of experience in international and community development. Alongside her role at Oaktree, Thenu is currently completing her Juris Doctor at the University of Melbourne and working with the World Economic Forum's Global Shaper community. The proud daughter of Sri Lankan immigrants, Thenu's belief in human rights, empathy and justice is unwavering.

**Marta Zajac** (Appointed 19 July 2021)

*Chair of Fundraising Advisory Board*

Marta is a fundraising and marketing specialist using her skills to grow progressive social change movements. Marta is the Experience Delivery Lead at the Australian Red Cross and a member of the Marketing and Growth Committee at Plan International. Prior to Red Cross, Marta has worked at Climate for Change, Human Rights Law Centre, United Nations and in the private sector, while holding numerous volunteer roles across the nonprofit sector. Marta has a Bachelor of Arts (Honours) in Public Relations and Advertising from the University of Westminster in London.

**Ari Siggins** (Appointed 04 September 2021, Resigned 16 October 2021)

Ari brings over 15 years of experience in senior and C-Suite Human Resources and operational management roles across the government, health, and community services sectors. She brings extensive experience in human resources management and organisational development, industrial relations, and workplace health and safety combined with expertise in operational management and strategy. Ari holds a Bachelor of Arts and Social Science, a Master of Human Resources Management, she is a Graduate of the Australian Institute of Company Directors and a Certified Professional Member of the Australian Human Resources Institute.

**Alan Wu** (Appointed 30 October 2021)

*Chair*

Alan has long worked with communities to build power to make decisions that matter. He currently serves on the boards of racial justice organisation Democracy in Colour, and LGBTQIA+ mentoring organisation Out for Australia, and recently retired as the longest-serving member of the board of Oxfam Australia, one of the nation's largest international development organisations. He is a senior adviser with the Open Government Partnership, a multilateral project to make governments more inclusive, responsive and accountable.

**Ronald Zhang** (Appointed 25 July 2018)

*Deputy Chair*

Ronald is an Associate Consultant at Bain & Company and holds a Bachelor of Commerce (Economics and Finance) with Honours from The University of Melbourne. He is passionate about global development and the power of young people to lead social change, and previously served as Oaktree's Head of Marketing and Fundraising.

**Cameron McGowan** (Appointed 15 August 2020)

*Chair of Risk and Compliance Sub-Committee*

Cameron is an Internal Audit Manager in the Risk Advisory practice at EY and works across the Non-for-profit, Health and Government practices. Cam has over 9 years of experience, having worked for EY and large multinational companies in Germany and Paris, and specialises in best in class risk management practices that add value and enable organisations to deliver on their strategic objectives.

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**DIRECTORS' REPORT**

**Information about the Directors and senior management (Continued)**

**Steven Mills (Appointed 13 June 2020)**

*Chair of Finance Sub-Committee*

Steven has over fifteen years' experience in financial positions, including nearly ten in senior finance and consulting roles specialising in accounting, strategy, forecasting and change management. He has worked in the UK, US and Australia and holds a Bachelor of Business from LaTrobe University, is a Chartered Accountant (CIMA) and completed an MBA from Melbourne Business School.

**Jack He (Appointed 13 June 2020)**

*Company Secretary*

Jack holds a Bachelors degree in Business Administration and a Masters degree in Applied Finance. He has over 17 years of experience in the banking industry across Mergers & Acquisitions, Product Management, and Treasury. He is passionate about diversity and equality, and is a firm believer in empowering young people to take ownership for change.

The directors have been in office since the start of the year to the date of this report unless otherwise stated.

**Significant changes in state of affairs**

There were no significant changes in the consolidated entity's state of affairs that occurred during the financial year, other than those referred to elsewhere in this report.

While the broader economy has been impacted significantly, Oaktree has experienced a limited impact from the COVID-19 pandemic. The consolidated entity has largely maintained its operational activity so far, notwithstanding personnel have been working from home. Additionally, there have been some short-term implications to revenue and operational expenditure, with the consolidated entity being eligible for government subsidies. For further information with respect to COVID-19, please refer to note 13 of the financial statements.

**THE OAKTREE FOUNDATION AUSTRALIA**  
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**DIRECTORS' REPORT**

**Principal activities, objectives and performance**

The principal activities of the consolidated entity during the period were to:

- Build the capacity and influence of young Australians through domestic programs.
- Partner and invest in locally based organisations to build the capacity and influence of young people internationally.
- Communicate the value of youth participation and creating a more just world.
- Build evidence to demonstrate the impact of youth participation in creating a more justworld.

The consolidated entity's short-term objectives are to:

- Partner with young people from various marginalised backgrounds with access to capacity building programs to enhance their opportunities now and in the future.
- Strengthen the capacity of young people to be leading change in the Asia Pacific.
- Recruit and train young Australians to drive Oaktree's youth and justice campaigns.
- Attract, develop and retain a diverse group of volunteers and employees needed to fulfil the organisation's strategic plan.
- Raise funds to support Oaktree's work from a range of distinct revenue streams.

The consolidated entity's long-term objectives are to:

- Advance systematic change towards youth participation in aid and development.
- Create a more engaged and informed public in creating a more just world.
- Increased capacity and influence of young people.
- Hold Australia accountable to developing policies that ensure greater contribution towards advancing youth participation and a more just world.

Note: Oaktree measures its performance by monitoring its progress against each of its short-term objectives.

To achieve its short-term and long-term objectives, the consolidated entity has adopted the following strategies:

- Testing and trialling a number of different fundraising strategies to complement Live Below the Line to acquire revenue diversification.
- Maintaining high quality partnerships to deliver youth led capacity building projects (funded partnerships) and mutual capacity building programs (non-funded partners).
- Engaging and developing hundreds of young Australians in active volunteering and ambassador roles within the organisation.
- Engaging and working with key decision makers in government and civil society to advance youth participation.
- Advancing Oaktree as a key organisation within the international development sector and collaborating with other organisations to strengthen the participation of young people.

**THE OAKTREE FOUNDATION AUSTRALIA**  
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**DIRECTORS' REPORT**

**Details of membership**

The Oaktree Foundation Australia is a public company, limited by guarantee, incorporated and operating in Victoria, Australia. The guarantee is \$20 per member and at 31 December 2021 there were 8 Class A members and 0 Class B members, such that the total amount that members of Oaktree are liable to contribute if the company is wound up is \$160.

**Environmental regulation**

The consolidated entity's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

**Meetings of directors**

Directors	Directors' meetings	
	Number eligible to attend	Number attended
Heidi Michael	6	6
Ronald Zhang	6	6
Matthew Nguyen	2	2
Hayley Cull	3	3
Shani Cain	1	1
Finbar Piper	6	6
Elyse McInerney	6	6
Thenu Herath	6	6
Marta Zajac	2	2
Ari Siggins	1	1
Alan Wu	1	1
Jack He	6	6
Steven Mills	6	6
Cameron McGowan	6	6

**Indemnification of officers**

The Consolidated Entity maintained its own Directors and Officers Indemnity during the financial year against certain personal liabilities which they may incur in the performance of their duties as Directors and Officers where those Directors and officers acted in good faith.

In accordance with common commercial practice, the insurance policy prohibits disclosure of the nature of the liability insured against and the amount of the premium.

Except for the above, during the financial year and subsequent to 31 December 2021, no person has been indemnified nor has the consolidated entity or a related body of the consolidated entity made an agreement for indemnifying any person who is or has been an officer of the consolidated entity or of a related body.

**Auditor's independence declaration**

A copy of the auditor's independence declaration in relation to the audit for the financial year is provided with this report.

THE OAKTREE FOUNDATION AUSTRALIA  
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DIRECTORS' REPORT

**Proceedings on behalf of the consolidated entity**

No person has applied for leave of Court to bring proceedings on behalf of the consolidated entity or intervene in any proceedings to which the consolidated entity is a party for the purpose of taking responsibility on behalf of the consolidated entity for all or any part of those proceedings.

Signed on behalf of the Board of Directors.

Director:   
Steven Mills

Dated this 21<sup>ST</sup> day of JUNE, 2022



**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SUBDIVISION 60-40 OF THE AUSTRALIAN CHARITIES  
AND NOT-FOR-PROFITS COMMISSION ACT 2012  
TO THE DIRECTORS OF THE OAKTREE FOUNDATION AUSTRALIA**

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2021, there have been no contraventions of the auditor independence requirements as set out in any applicable code of professional conduct in relation to the review.

*Moore Australia*

**MOORE AUSTRALIA AUDIT (VIC)  
ABN 16 847 721 257**



**RYAN LEEMON  
Partner  
Audit and Assurance**

Melbourne, Victoria

21 June 2022

**THE OAKTREE FOUNDATION AUSTRALIA**  
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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 \$	2020 \$
<b>Revenue and other income</b>			
Donations and gifts			
<i>Monetary</i>		180,793	261,627
<i>Non-monetary</i>		-	-
Bequests and legacies		-	-
Commercial activities income		-	-
Grants			
<i>Department of Foreign Affairs and Trade</i>		-	-
<i>Other Australian</i>		5,280	25,000
<i>Other overseas</i>		-	-
Investment income		27,004	35,766
Jobkeeper and Cash Flow Boost revenue		-	90,752
Other income		4,018	8,395
		<u>217,096</u>	<u>421,540</u>
<b>Less: expenses</b>			
International programs			
<i>Funds to international programs</i>		(114,087)	(135,253)
<i>Program support costs</i>		(120,850)	(96,435)
Community education		(54,027)	(82,340)
Fundraising costs			
<i>Public</i>		(181,008)	(67,754)
<i>Government, multilateral, and private</i>		(89)	(37,245)
Accountability and administration		(133,513)	(132,058)
		<u>(603,575)</u>	<u>(551,085)</u>
<b>Excess / (shortfall) of revenue over expenditure</b>		(386,479)	(129,545)
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit and loss</i>			
Net change in fair value of financial assets classified at fair value through other comprehensive income		61,155	(28,889)
Net change in fair value of cash flow hedging instruments		-	580
<b>Other comprehensive income / (loss) for the year</b>		<u>61,155</u>	<u>(28,309)</u>
<b>Total comprehensive income / (loss)</b>		<u>(325,325)</u>	<u>(157,854)</u>

**THE OAKTREE FOUNDATION AUSTRALIA**  
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**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2021**

	Note	2021 \$	2020 \$
<b>Current assets</b>			
Cash and cash equivalents	2	297,450	612,765
Receivables	3	32,532	42,994
Other assets	4	<u>11,945</u>	<u>28,030</u>
<b>Total current assets</b>		<u>341,926</u>	<u>683,789</u>
<b>Non-current assets</b>			
Financial assets	5	<u>783,430</u>	<u>663,181</u>
<b>Total non-current assets</b>		<u>783,430</u>	<u>663,181</u>
<b>Total assets</b>		<u>1,080,356</u>	<u>1,346,970</u>
<b>Current liabilities</b>			
Payables	6	51,298	24,765
Provisions	7	<u>44,535</u>	<u>12,357</u>
<b>Total current liabilities</b>		<u>94,832</u>	<u>37,122</u>
<b>Total liabilities</b>		<u>94,832</u>	<u>37,122</u>
<b>Net assets</b>		<u>984,524</u>	<u>1,309,848</u>
<b>Equity</b>			
Reserves	8	211,358	150,203
Retained earnings	9	<u>773,166</u>	<u>1,159,645</u>
<b>Total equity</b>		<u>984,524</u>	<u>1,309,848</u>

**THE OAKTREE FOUNDATION AUSTRALIA**  
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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Financial assets reserve \$	Retained surplus \$	Total equity \$
<b>Balance as at 1 January 2020</b>	178,512	1,289,190	1,467,702
Deficit for the year	-	(129,545)	(129,545)
Other comprehensive income / (loss) for the year	<u>(28,309)</u>	<u>-</u>	<u>(28,309)</u>
<b>Total comprehensive income for the year</b>	<u><u>(28,309)</u></u>	<u><u>(129,279)</u></u>	<u><u>(157,854)</u></u>
<b>Balance as at 1 January 2021</b>	150,203	1,159,645	1,309,848
Deficit for the year	-	(386,479)	(386,479)
Other comprehensive income / (loss) for the year	<u>61,155</u>	<u>-</u>	<u>61,155</u>
<b>Total comprehensive income for the year</b>	<u><u>61,155</u></u>	<u><u>(386,479)</u></u>	<u><u>(325,325)</u></u>
<b>Balance as at 31 December 2021</b>	<u><u>211,358</u></u>	<u><u>773,166</u></u>	<u><u>984,524</u></u>

**THE OAKTREE FOUNDATION AUSTRALIA**  
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**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 \$	2020 \$
<b>Cash flow from operating activities</b>			
Receipt of grants		34,580	25,000
Donations and other receipts		204,340	366,927
Payments to suppliers and employees		(572,900)	(552,188)
Dividends received		32,156	20,048
Interest received		<u>1,822</u>	<u>2,894</u>
<b>Net cash provided by / (used in) operating activities</b>		<u>(300,002)</u>	<u>(137,319)</u>
<b>Cash flow from investing activities</b>			
Proceeds from sale of investments in equity instruments at fair value through other comprehensive income		38,639	-
Payments for investments in equity instruments at fair value through other comprehensive income		<u>(53,953)</u>	<u>-</u>
<b>Net cash provided by investing activities</b>		<u>(15,314)</u>	<u>-</u>
<b>Reconciliation of cash</b>			
Cash at beginning of the financial year		612,765	750,084
Net increase / (decrease) in cash held		<u>(315,316)</u>	<u>(137,319)</u>
<b>Cash at end of financial year</b>	2	<u><u>297,450</u></u>	<u><u>612,765</u></u>

**THE OAKTREE FOUNDATION AUSTRALIA**  
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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The financial report is a general purpose financial report that has been prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and Australian Accounting Standards - Reduced Disclosure Requirements, Interpretations and other applicable authoritative pronouncements of the Australian Accounting Standards Board.

The financial report covers The Oaktree Foundation Australia as a consolidated entity. The Oaktree Foundation Australia is a consolidated entity limited by guarantee, incorporated and domiciled in Australia. The Oaktree Foundation Australia is a not-for-profit entity for the purpose of preparing the financial statements.

The financial report was approved by the directors as at the date of the directors' report.

The following are the significant accounting policies adopted by the consolidated entity in the preparation and presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

**(a) Basis of preparation of the financial report**

*Historical Cost Convention*

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets and liabilities as described in the accounting policies.

**(b) Principles of consolidation**

The consolidated financial statements are those of the consolidated entity, comprising the financial statements of the parent entity and its wholly controlled trust funds.

All inter-company balances and transactions, including any unrealised profits or losses have been eliminated on consolidation, and the consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

**THE OAKTREE FOUNDATION AUSTRALIA**  
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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(c) Revenue and other income**

The consolidated entity derives income from the transfer of assets when the consolidated entity provides no consideration in exchange for the asset received, or the consideration provided by the consolidated entity is significantly less than the fair value of the asset received, principally to enable the consolidated entity to further its objectives, and the arrangement does not satisfy the criteria to be accounted for as a 'contract with a customer'.

*Donations*

Cash donations and goods donated for resale are recognised as income when the consolidated entity obtains control of the asset. Cash is recognised at the fair value of the consideration received.

*Operating grants*

A transfer of an asset, including cash, under arrangements that do not contain enforceable and sufficiently specific performance obligations is referred to in the financial statements as an 'operating grant'. Assets arising from operating grants are recognised at fair value when the consolidated entity obtains control of the asset. Any related amounts, such as contributions from owners, financial liabilities, contract liabilities, lease liabilities and provisions are recognised in accordance with the applicable Australian Accounting Standard. The excess of the initial carrying amount of assets received over the aggregate of the consideration provided by the consolidated entity and any related amounts is recognised as income.

*Capital grants*

A transfer of a financial asset, including cash, to enable the consolidated entity to acquire or construct a recognisable non-financial asset to identified specifications to be controlled by the consolidated entity, such as an item of property, plant and equipment, is referred to in the financial statements as a 'capital grant'. Capital grants are initially recognised as a liability (unspent capital grants liability), and subsequently recognised as income as, or when, the consolidated entity satisfies its obligation to acquire or construct the specified asset to which the capital grant relates.

**(d) Other revenue and other income**

*Government grants*

Government grants are recognised when there is reasonable certainty that the grant will be received and all grant conditions are met. Government grants include amounts received or receivable under the Federal Government's JobKeeper Payment Scheme, which provide temporary subsidies to eligible businesses significantly affected by Coronavirus (COVID-19).

*Dividend and other distributions*

Dividend and other distribution revenue is recognised when the right to receive a dividend or other distribution has been established. Dividends and other distributions received from associates and joint venture entities are accounted for in accordance with the equity method of accounting.

*Interest*

Interest revenue is measured in accordance with the effective interest method.

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

**THE OAKTREE FOUNDATION AUSTRALIA**  
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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(e) Income tax**

The Oaktree Foundation Australia is exempt from income tax under section 50-5 of the *Income Tax Assessment Act 1997*.

**(f) Cash and cash equivalents**

Cash and cash equivalents include cash on hand and at banks, short-term deposits with an original maturity of three months or less held at call with financial institutions, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the consolidated statement of financial position.

**(g) Financial instruments**

*Initial recognition and measurement*

Financial assets and financial liabilities are recognised when the consolidated entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the consolidated entity commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value adjusted for transaction costs, except where the instrument is classified as fair value through profit or loss, in which case transaction costs are immediately recognised as expenses in profit or loss.

*Classification of financial assets*

Financial assets recognised by the consolidated entity are subsequently measured in their entirety at either amortised cost or fair value, subject to their classification and whether the consolidated entity irrevocably designates the financial asset on initial recognition at fair value through other comprehensive income (FVtOCI) in accordance with the relevant criteria in AASB 9.

Financial assets not irrevocably designated on initial recognition at FVtOCI are classified as subsequently measured at amortised cost, FVtOCI or fair value through profit or loss (FVtPL) on the basis of both:

- (a) the consolidated entity's business model for managing the financial assets; and
- (b) the contractual cash flow characteristics of the financial asset.

*Trade and other receivables*

Trade and other receivables arise from the consolidated entity's transactions with its customers and are normally settled within 30 days.

Consistent with both the consolidated entity's business model for managing the financial assets and the contractual cash flow characteristics of the assets, trade and other receivables are subsequently measured at amortised cost.



**THE OAKTREE FOUNDATION AUSTRALIA**  
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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(h) Property, plant and equipment**

Each class of plant and equipment is measured at cost or fair value less, where applicable, any accumulated depreciation and any accumulated impairment losses.

*Plant and equipment*

Plant and equipment is measured on the cost basis.

*Depreciation*

The depreciable amount of all other property, plant and equipment is depreciated over their estimated useful lives commencing from the time the asset is held available for use, consistent with the estimated consumption of the economic benefits embodied in the asset.

**(i) Leases**

At the commencement date of a lease (other than leases of 12-months or less and leases of low value assets), the consolidated entity recognises a lease asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

*Lease assets*

Lease assets are initially recognised at cost, comprising the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date of the lease, less any lease incentives received, any initial direct costs incurred by the consolidated entity, and an estimate of costs to be incurred by the consolidated entity in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Subsequent to initial recognition, lease assets are measured at cost (adjusted for any remeasurement of the associated lease liability), less accumulated depreciation and any accumulated impairment loss.

Lease assets are depreciated over the shorter of the lease term and the estimated useful life of the underlying asset, consistent with the estimated consumption of the economic benefits embodied in the underlying asset.

*Lease liabilities*

Lease liabilities are initially recognised at the present value of the future lease payments (i.e., the lease payments that are unpaid at the commencement date of the lease). These lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or otherwise using the consolidated entity's incremental borrowing rate.

Subsequent to initial recognition, lease liabilities are measured at the present value of the remaining lease payments (i.e., the lease payments that are unpaid at the reporting date). Interest expense on lease liabilities is recognised in profit or loss (presented as a component of finance costs). Lease liabilities are remeasured to reflect changes to lease terms, changes to lease payments and any lease modifications not accounted for as separate leases.

**THE OAKTREE FOUNDATION AUSTRALIA**  
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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(i) Leases (Continued)**

Variable lease payments not included in the measurement of lease liabilities are recognised as an expense when incurred.

*Leases of 12-months or less and leases of low value assets*

Lease payments made in relation to leases of 12-months or less and leases of low value assets (for which a lease asset and a lease liability has not been recognised) are recognised as an expense on a straight-line basis over the lease term.

**(j) Employee benefits**

*(i) Short-term employee benefit obligations*

Liabilities arising in respect of wages and salaries, annual leave and other employee benefits (other than termination benefits) expected to be settled wholly before twelve months after the end of the reporting period are measured at the (undiscounted) amounts based on remuneration rates which are expected to be paid when the liability is settled. The expected cost of short-term employee benefits in the form of compensated absences such as annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables in the consolidated statement of financial position.

*(ii) Long-term employee benefit obligations*

The provision for other long-term employee benefits, including obligations for long service leave and annual leave, which are not expected to be settled wholly before twelve months after the end of the reporting period, are measured at the present value of the estimated future cash outflow to be made in respect of the services provided by employees up to the reporting date. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee turnover, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that are denominated in the currency in which the benefits will be paid. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the change occurs.

Other long-term employee benefit obligations are presented as current liabilities in the consolidated statement of financial position if the consolidated entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur. All other long-term employee benefit obligations are presented as non-current liabilities in the consolidated statement of financial position.

**THE OAKTREE FOUNDATION AUSTRALIA**  
**ACN: 129 680 584**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(k) Goods and services tax (GST)**

Revenues, expenses and purchased assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax 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 the expense. Receivables and payables in the consolidated statement of financial position are shown inclusive of GST.

Cash flows are presented in the consolidated 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.

**(l) Comparatives**

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

**(m) Deductible gift recipient**

The Oaktree Foundation Australia is currently endorsed as a Deductible Gift Recipient.

**(n) Critical accounting estimates and judgments**

Judgment has been exercised in considering the impact that COVID-19 has had, or may have on the entity's current and future operations based on known and expected events. This consideration extends to the ability to continue to raise sufficient funding to enable provision of international support and ongoing operations.

**(o) ACFID compliance**

This consolidated financial report has been prepared in accordance with the requirements set out in the ACFID code of conduct. For further information on the code please refer to [www.acfid.asn.au](http://www.acfid.asn.au)

**THE OAKTREE FOUNDATION AUSTRALIA**  
**ACN: 129 680 584**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021 \$	2020 \$
<b>NOTE 2: CASH AND CASH EQUIVALENTS</b>		
Cash at bank	285,319	453,258
Future fund cash account	<u>12,131</u>	<u>159,507</u>
	<u>297,450</u>	<u>612,765</u>
<b>NOTE 3: RECEIVABLES</b>		
CURRENT		
Receivables from contracts with customers	-	-
Other receivables		
- GST receivable	-	4,798
- Franking credits receivable	<u>32,532</u>	<u>38,196</u>
	<u>32,532</u>	<u>42,994</u>
	<u>32,532</u>	<u>42,994</u>
<b>NOTE 4: OTHER ASSETS</b>		
CURRENT		
Prepayments	4,817	7,574
Accrued income	461	436
Rental bond	<u>6,667</u>	<u>20,020</u>
	<u>11,945</u>	<u>28,030</u>
<b>NOTE 5: FINANCIAL ASSETS</b>		
NON CURRENT		
<i>Financial assets at fair value</i>		
Investments in equity instruments designated as at fair value through other comprehensive income	<u>738,430</u>	<u>663,181</u>

**THE OAKTREE FOUNDATION AUSTRALIA**  
**ACN: 129 680 584**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021 \$	2020 \$
<b>NOTE 6: PAYABLES</b>		
CURRENT		
<i>Unsecured liabilities</i>		
Trade payables	2,899	2,150
Employment related payables	9,542	14,660
GST Payable	9,558	
Revenue Received in Advance	29,300	-
Accrued expenses	<u>-</u>	<u>7,955</u>
	<u>51,298</u>	<u>24,765</u>

**NOTE 7: PROVISIONS**

CURRENT		
Employee benefits	<u>44,535</u>	<u>12,357</u>
(a) Aggregate employee benefits liability	44,535	12,357

**THE OAKTREE FOUNDATION AUSTRALIA**  
**ACN: 129 680 584**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021	2020
	\$	\$
<b>NOTE 8: RESERVES</b>		
Financial assets at fair value through other comprehensive income reserve	211,358	150,203
Cashflow hedge reserve	-	-
	<u>211,358</u>	<u>150,203</u>

**NOTE 9: RETAINED EARNINGS**

Retained earnings at beginning of year	1,159,645	1,289,190
Net surplus / (deficit)	<u>(386,479)</u>	<u>(129,545)</u>
	<u>773,166</u>	<u>1,159,645</u>

**NOTE 10: MEMBERS' GUARANTEE**

The entity is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the entity is wound up, the Constitution states that each member is required to contribute to a maximum of \$20 each towards meeting any outstandings and obligations of the entity. At 31 December 2021 the number of members was 9. The combined total amount that members of the consolidated entity are liable to contribute if the consolidated entity is wound up is \$180.

**NOTE 11: ECONOMIC DEPENDENCY**

Oaktree raises significant revenue through the Live Below the Line campaign. During the year ended 31 December 2021 approximately 66% or \$145,180 (year ended 31 December 2020: 46% or \$191,426) of Oaktree's revenue was sourced from the Live Below the Line campaign. Oaktree relies on the ongoing success of this campaign to ensure viability and achievement of its strategic goals.

**NOTE 12: RELATED PARTY DISCLOSURES AND KEY MANAGEMENT PERSONNEL COMPENSATION**

During the financial year, the Directors provided \$4,198 donations personally to Oaktree.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The Directors perform the role of key management personnel. Non-executive Directors are not remunerated for their services performed for the consolidated entity.

	2021	2020
	\$	\$
Total compensation received by key management personnel	<u>65,207</u>	<u>65,455</u>

**THE OAKTREE FOUNDATION AUSTRALIA**  
**ACN: 129 680 584**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**NOTE 13: EVENTS SUBSEQUENT TO REPORTING DATE**

The outbreak and spread of Coronavirus (COVID-19) has continued to disrupt many businesses both domestically and globally. As a result of this outbreak, there are potential accounting, financial reporting, and commercial implications that management are currently considering. Management continues to monitor the social, government, and financial impacts.

There have been no other matters or circumstances, which has arisen since 31 December 2021 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 31 December 2021, of the consolidated entity, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 31 December 2021, of the consolidated entity.

**THE OAKTREE FOUNDATION AUSTRALIA**

**ACN: 129 680 584**

**DIRECTORS' DECLARATION**

In accordance with a resolution of the directors of The Oaktree Foundation Australia, the directors of the registered entity declare that, in the directors' opinion:

1. The financial statements and notes satisfy the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and:
  - a. comply with Australia Accounting Standards - Reduced Disclosure Requirements applicable to the entity; and
  - b. give a true and fair view of the financial position of the registered entity as at 31 December 2021 and of its performance for the year ended on that date.
2. There are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Director:



Steven Mills

Dated this

21<sup>ST</sup>

day of

JUNE ,

2022



**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF THE OAKTREE FOUNDATION AUSTRALIA****Report on the Review of the Financial Report****Conclusion**

We have reviewed the accompanying financial report of The Oaktree Foundation Australia (the entity), which comprises the statement of financial position as at 31 December 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity, the statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the financial report of the company is not in accordance with the Australian Accounting Standards, including:

- a. giving a true and fair view of the company's financial position as at 31 December 2021 and of its performance for the year ended on that date; and
- b. complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013;

**Directors' Responsibility 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 in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and ACNC Act and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express a conclusion on the financial report based on our review. We conducted our review in accordance with Auditing Standards on Review Engagements ASRE 2415: *Review of a Financial Report: Company Limited by Guarantee or an Entity Reporting under the ACNC Act or Other Applicable Legislation or Regulation*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the ACNC Act, including:

- a. giving a true and fair view of the company's financial position as at 31 December 2021 and its performance for the year ended on that date; and
- b. complying with the Australian Accounting Standards.

As the auditor of the company, ASRE 2415 requires that we comply with the ethical requirements relevant to the review of the financial report.

A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Independence

In conducting our review, to the best of our knowledge and belief, we met the independence requirements of the Australian Accounting Professional Code of Conduct in relation to the review of the twelve month income statement and statement of financial position.

*Moore Australia*

**MOORE AUSTRALIA AUDIT (VIC)**  
**ABN 16 847 721 257**



**RYAN LEEMON**  
**Partner**  
**Audit and Assurance**

Melbourne, Victoria

21 June 2022