

# **The Newington Foundation Limited**

**ABN 41 645 428 600**

**Annual Report - 31 December 2023**

**The Newington Foundation Limited**  
**Director's report**  
**31 December 2023**

The Directors of the The Newington Foundation Limited (the Foundation) submit their report in respect of the year ended 31 December 2023.

**Directors of the Foundation**

The names of the Directors of the Foundation in office at the any time during, or since the end of the year are:

Mr PJ Moffitt	Chair, Chair of Investment Committee
Mr RN Talbot	Deputy Chair, Chair of Audit Committee (resigned on 8 Dec 2023)
Ms AM Bradley	Member of Investment Committee
Mr CR Collings	Secretary, Member of the Investment & Audit Committees
Mr MP Isaias	Member of Audit Committee (resigned on 30 June 2023)
Mr S Hedge	Appointed on 21 Dec 2023
Mr A Walsh	Appointed on 16 Oct 2023

All Directors were in office from the beginning of the financial year until the date of this report, unless otherwise stated.

**Principal activities**

The Objects of the Foundation are to:

- (a) To provide financial support for the four pillars of Newington College which underpin the broad education that the school provides namely academic, sport, cultural and pastoral;
- (b) To provide financial means whereby the students of Newington College may obtain benefit from scholarship, music, the arts, literature, science, sport and religious study and worship;
- (c) To provide funds for the erection of buildings or the provision of facilities in pursuance of the foregoing objects; Generally, such objects as are for the advancement, preservation, development and benefit of the College as a place of education.

**Operating results for the year**

The total comprehensive income for the Foundation for the financial year ended 31 December 2023 was a surplus of \$9,949,913 (2022: loss of \$5,325,825).

Where necessary, comparatives have been reclassified and repositioned for consistency with current year disclosures.

**Review of operations**

The Foundation continues to invest its assets in accordance with the approved Investment Policy Statement. These assets are managed by an external investment manger.

Grants awarded by the Foundation to Newington College in order to achieve its objectives for the financial year ended 31 December 2023 were \$1,547,962 (2022: \$914,854).

**Significant changes in the state of affairs**

There were no significant changes during the year ended 31 December 2023.

**Significant events after the reporting date**

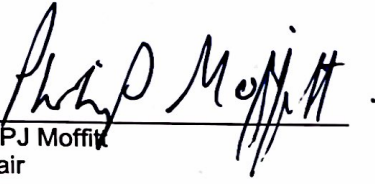
In the opinion of the Directors, no matter or circumstance has arisen since the end of the financial year which is not otherwise dealt with in this report, that has significantly affected or may significantly affect the operations of the Foundation, the results of those operations or the state of affairs of the Foundation in subsequent financial years.

**Auditor's independence declaration**


A copy of the auditor's independence declaration is set out immediately after this Director's report.

**The Newington Foundation Limited**  
**Director's report**  
**31 December 2023**

Signed in accordance with a resolution of the Board of Directors.

  
Mr PJ Moffitt  
Chair

5.6 2024  
Sydney

  
Ms AM Bradley  
Director

To the Board of The Newington Foundation Limited

### **Auditor's Independence Declaration under Subdivision 60-40 of the Australian Charities and Not-For-Profits Commission Act 2012**

As lead audit partner for the audit of the financial statements of The Newington Foundation Limited for the financial year ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements of the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- (b) any applicable code of professional conduct in relation to the audit.

Yours sincerely



**Nexia Sydney Audit Pty Ltd**



**Lester Wills**

Director

Date: 5 June 2024

Sydney

**The Newington Foundation Limited**

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**The Newington Foundation Limited**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 31 December 2023**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Revenue and other income</b>		
Donations	868,990	699,234
Investment income	3,415,959	4,324,016
Net fair value gain on financial assets	7,553,513	-
Interest income	4,008	-
Total revenue	<u>11,842,470</u>	<u>5,023,250</u>
<b>Expenses</b>		
Other expenses	(25,863)	(33,599)
Investment management & platform fees	(318,732)	(296,298)
Grants awarded to Newington College	(1,547,962)	(914,854)
Net fair value loss on financial assets	-	(9,104,324)
Total expenses	<u>(1,892,557)</u>	<u>(10,349,075)</u>
<b>Surplus/(deficit) for the year</b>	9,949,913	(5,325,825)
Other comprehensive income for the year	<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>	<u><u>9,949,913</u></u>	<u><u>(5,325,825)</u></u>

*The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*

**The Newington Foundation Limited**  
**Statement of financial position**  
**As at 31 December 2023**

	Note	2023 \$	2022 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	3	3,182,924	2,759,674
Trade and other receivables	4	514,689	791,361
Total current assets		<u>3,697,613</u>	<u>3,551,035</u>
<b>Non-current assets</b>			
Financial assets at fair value	5	98,186,356	88,368,587
Total non-current assets		<u>98,186,356</u>	<u>88,368,587</u>
<b>Total assets</b>		<u>101,883,969</u>	<u>91,919,622</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables		146,657	132,223
Total current liabilities		<u>146,657</u>	<u>132,223</u>
<b>Total liabilities</b>		<u>146,657</u>	<u>132,223</u>
<b>Net assets</b>		<u>101,737,312</u>	<u>91,787,399</u>
<b>Equity</b>			
Retained surpluses		101,737,312	91,787,399
<b>Total equity</b>		<u>101,737,312</u>	<u>91,787,399</u>

*The above statement of financial position should be read in conjunction with the accompanying notes*

**The Newington Foundation Limited**  
**Statement of changes in equity**  
**For the year ended 31 December 2023**

	<b>Retained earnings \$</b>	<b>Total equity \$</b>
Balance at 1 January 2022	97,113,224	97,113,224
Deficit for the year	(5,325,825)	(5,325,825)
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>(5,325,825)</u>	<u>(5,325,825)</u>
Balance at 31 December 2022	<u>91,787,399</u>	<u>91,787,399</u>
	<b>Retained earnings \$</b>	<b>Total equity \$</b>
Balance at 1 January 2023	91,787,399	91,787,399
Surplus for the year	9,949,913	9,949,913
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>9,949,913</u>	<u>9,949,913</u>
Balance at 31 December 2023	<u>101,737,312</u>	<u>101,737,312</u>

*The above statement of changes in equity should be read in conjunction with the accompanying notes*



**The Newington Foundation Limited**  
**Statement of cash flows**  
**For the year ended 31 December 2023**

	<b>Note</b>	<b>2023</b>	<b>2022</b>
		<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>			
Payments to suppliers (inclusive of GST)		(330,161)	(279,794)
Grants paid to Newington College		(1,547,962)	(914,854)
Donations received		887,779	699,234
Investment returns		3,677,850	3,903,018
		<u>2,687,506</u>	<u>3,407,604</u>
Net cash from operating activities			
<b>Cash flows from investing activities</b>			
Net cash flow (used in)/from bank/managed funds		<u>(2,264,256)</u>	<u>(3,660,983)</u>
Net cash used in investing activities		<u>(2,264,256)</u>	<u>(3,660,983)</u>
		<u>-</u>	<u>-</u>
Net cash from financing activities			
Net increase/(decrease) in cash and cash equivalents		423,250	(253,379)
Cash and cash equivalents at the beginning of the financial year		<u>2,759,674</u>	<u>3,013,053</u>
Cash and cash equivalents at the end of the financial year	3	<u><u>3,182,924</u></u>	<u><u>2,759,674</u></u>

*The above statement of cash flows should be read in conjunction with the accompanying notes*

**The Newington Foundation Limited**  
**Notes to the financial statements**  
**31 December 2023**

**Note 1. General information**

The financial statements cover The Newington Foundation Limited (the Foundation) as an individual entity. The financial statements are presented in Australian dollars, which is the Foundation's functional and presentation currency.

The Newington Foundation Limited is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia.

**Note 2. Material accounting policy information**

**(a) Basis of preparation**

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Australian Charities and Not-for-Profits Commission Act 2012, the New South Wales Charitable Fundraising Act 1991, associated regulations, and Australian Accounting Standards - Simplified Disclosures.

The financial report has been prepared on an historical cost basis, except for investments held in managed funds, which have been measured in fair value.

The financial report is presented in Australian dollars.

The financial statements comprise of The Newington Foundation Limited and the Building Fund, Scholarship Fund - Named Bursaries, and Scholarship Fund as at 31 December 2023.

**(b) Going concern**

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

**(c) New and accounting standards and Interpretations**

Australian Accounting Standards that have recently been issued or amended but are not yet effective have not been adopted for the period ended 31 December 2023.

**(d) Use of estimates**

In conforming with generally accepted accounting principles, the preparation of financial statements for the Foundation requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the accompanying notes. Although, these estimates are based on management's knowledge of current events and actions that may be undertaken in the future, actual results may ultimately differ from estimates.

**(e) Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at bank and on hand. For the purposes of the Cash Flow Statement, cash includes cash on hand and at bank.

**(f) Receivables**

Receivables are held at cost and are non-interest bearing.

**(g) Financial assets**

Financial assets are initially measured at fair value through profit or loss in the Statement of Financial Position. All transaction costs are recognised directly in profit or loss. After initial measurement these investments are classified as fair value through profit or loss and subsequent changes in the fair value are recorded in profit or loss reflecting the change in value of investments. Any income derived from the holding of these financial assets is recorded as investment returns.

Funds held with the investment manager are classified as either 'cash and cash equivalents' or 'financial assets at fair value through profit or loss'. cash and cash equivalents includes cash held with the investment manager and other short-term highly liquid investments with original maturities of three months or less. Financial assets includes other investments that are held with a longer-term intention.

**(h) Income tax**

The Foundation, by the nature of its operations conducted, is exempt from the imposition of income tax. No income tax expense is therefore recorded in the financial report.

**The Newington Foundation Limited**  
**Notes to the financial statements**  
**31 December 2023**

**Note 2. Material accounting policy information (continued)**

**(i) Other taxes**

Revenue, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable;
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

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

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

**(j) Other payables**

Other payables are carried at amortised costs and represents liabilities for goods and services provided to the Foundation prior to the end of the financial year that are unpaid and arise when the Foundation becomes obliged to make future payments in respect of the purchase of these goods and services.

**(k) Revenue recognition**

Revenue is recognised at the amount of the consideration to which the Foundation expects to be entitled. The following specific recognition criteria must also be met before revenue is recognised:

*(i) Donations*

Donations are recognised when received and at the fair value of the donation received.

*(ii) Investment returns*

Revenue is recognised as investment returns accrued using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating interest over the relevant period using the effective interest rate.

**Note 3. Cash and cash equivalents**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Cash on hand	10	10
Cash at bank	3,410	-
Cash pool in investment	3,179,504	2,759,664
	<u>3,182,924</u>	<u>2,759,674</u>

**Note 4. Trade and other receivables**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Investment income receivable	502,439	760,322
Donations income receivable	12,250	31,039
	<u>514,689</u>	<u>791,361</u>

**The Newington Foundation Limited**  
**Notes to the financial statements**  
**31 December 2023**

**Note 5. Financial assets at fair value**

	2023 \$	2022 \$
Portfolio investments at fair value	<u>98,186,356</u>	<u>88,368,587</u>

**Note 6. Newington Foundation funds**

	Building Fund	Scholarship Fund - Named Bursaries	Long Term Scholarship Fund	Newington Foundation	Total
Cash and cash equivalents	186,346	707,456	2,285,712	3,410	3,182,924
Other receivables	65,427	115,088	334,174	-	514,689
<b>Total current assets</b>	<u>251,773</u>	<u>822,544</u>	<u>2,619,886</u>	<u>3,410</u>	<u>3,697,613</u>
Financial assets	12,858,730	20,626,328	64,701,298	-	98,186,356
<b>Total assets</b>	<u>13,110,503</u>	<u>21,448,872</u>	<u>67,321,184</u>	<u>3,410</u>	<u>101,883,969</u>
Other payables	10,968	16,781	52,153	66,755	146,657
<b>Total Liabilities</b>	<u>10,968</u>	<u>16,781</u>	<u>52,153</u>	<u>66,755</u>	<u>146,657</u>
<b>Net assets</b>	<u>13,099,535</u>	<u>21,432,091</u>	<u>67,269,031</u>	<u>(63,345)</u>	<u>101,737,312</u>
Retained earnings	12,142,238	19,683,620	60,009,840	(48,299)	91,787,399
Interfund transfer	-	-	-	-	-
Current surplus/(deficit)	957,336	1,751,391	7,256,620	(15,434)	9,949,913
<b>Total equity</b>	<u>13,099,574</u>	<u>21,435,011</u>	<u>67,266,460</u>	<u>(63,733)</u>	<u>101,737,312</u>

**Note 7. Related party disclosures**

**(a) Key management personnel compensation**

Total compensation to Key Management Personnel for the Foundation during the financial year is \$0 (2022: \$0).

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Foundation, directly or indirectly.

All Foundation management and board members hold unpaid positions.

**(b) Loans to Key Management Personnel**

There are no loan agreements made between Key Management Personnel and the Foundation.

**(c) Other transactions of Key Management Personnel and their personally related entities**

There were no other transactions between key management personnel and the Foundation other than donations made or reimbursement of out of pocket expenses on an arm's length basis.

**The Newington Foundation Limited**  
**Notes to the financial statements**  
**31 December 2023**

**Note 7. Related party disclosures (continued)**

**(d) Other related party transactions**

Grants awarded by the Foundation to Newington College for the financial year ended 31 December 2023 were \$1,547,962 (2022: \$914,854).

**Note 8. Remuneration of auditors**

During the financial year the following fees were paid or payable for services provided by Nexia Sydney Audit Pty Ltd (2022: Ernst & Young Australia), the auditor of the Foundation:

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<i>Audit services</i>		
Audit of the financial statements	9,500	19,330
<i>Other services - Nexia Sydney Audit Pty Limited (2022: Ernst &amp; Young)</i>		
Accounting services	<u>2,500</u>	<u>-</u>
	<u><u>12,000</u></u>	<u><u>19,330</u></u>

**Note 9. Events after the reporting period**

No matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the Foundation's operations, the results of those operations, or the Foundation's state of affairs in future financial years.

**The Newington Foundation Limited**  
**Director's declaration**  
**31 December 2023**

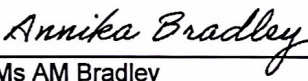
In the Directors' opinion:

- the attached financial statements and notes comply with the Australian Accounting Standards - Simplified Disclosures, the Australian Charities and Not-for-profits Commission Act 2012 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Foundation's financial position as at 31 December 2023 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they become due and payable;
- the financial statements and notes thereto give a true and fair view of all income and expenditure of the Foundation with respect to fundraising appeals;
- the Statement of Financial Position as at 31 December 2023 gives a true and fair view of the state of affairs with respect to fundraising appeals conducted by the Foundation;
- the provisions of the Charitable Fundraising Act 1991 and the regulations under the Act and the conditions attached to the fundraising authority have been complied with by the Foundation; and
- the internal controls exercised by the Foundation are appropriate and effective in accounting for all income received and applied by the Foundation from any of its fundraising appeals.

Signed in accordance with a resolution of the Director of the Foundation.

  
Mr PJ Moffitt  
Chair

5-6 2024  
Sydney

  
Ms AM Bradley  
Director

## Independent Auditor's Report to the members of The Newington Foundation Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of The Newington Foundation Limited (the Foundation), which comprises the statement of financial position as at 31 December 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and the directors' declaration.

In our opinion, the accompanying financial report of the Foundation 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 Foundation's financial position as at 31 December 2023 and of its financial performance for the year then ended; and
- ii) complying with Australian Accounting Standards - Simplified Disclosures and Division 60 of the Australian Charities and Not-for-profits Commission Regulations 2022.

#### 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 Foundation in accordance with the ethical requirements of the Accounting Professional & 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.

#### Other information

The directors are responsible for the other information. The other information comprises the information in The Newington Foundation Limited's annual report for the year ended 31 December 2023, but does not include the financial report and the auditor's report thereon. Our opinion on the financial report does not cover the other information and 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 the other information we are required to report that fact. We have nothing to report in this regard.

**Directors' responsibility for the financial report**

The directors of the Foundation are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Australian Charities and Not-for-profits Commission Act 2012 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Foundation or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibility 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 Australian Auditing and Assurance Standards Board website at: [www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our auditor's report.

**Nexia Sydney Audit Pty Ltd****Lester Wills**

Director

Dated: 5 June 2024

Sydney