



## **SPECIAL AIR SERVICE RESOURCES TRUST 3**

# **FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**30 JUNE 2023**

## SPECIAL AIR SERVICE RESOURCES TRUST 3

### STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2023

|                                 | Note | 2023<br>\$       | 2022<br>\$       |
|---------------------------------|------|------------------|------------------|
| <b>Trust Funds</b>              |      |                  |                  |
| Settlement Capital              |      | 5,000            | 5,000            |
| Reserve Fund                    | 9    | (75,066)         | (112,426)        |
| Retained Surplus                |      | 1,894,092        | 2,142,420        |
|                                 |      | <u>1,824,026</u> | <u>2,034,994</u> |
| <b>Current Assets</b>           |      |                  |                  |
| Cash Assets                     | 2    | 409,562          | 736,273          |
| Receivables                     | 3    | 35,560           | 6,340            |
| <b>Total Current Assets</b>     |      | <u>445,122</u>   | <u>742,613</u>   |
| <b>Non-current Assets</b>       |      |                  |                  |
| Other financial assets          | 5    | 1,378,904        | 1,321,406        |
| <b>Total Non-current Assets</b> |      | <u>1,378,904</u> | <u>1,321,406</u> |
| <b>Total Assets</b>             |      | <u>1,824,026</u> | <u>2,064,019</u> |
| <b>Current Liabilities</b>      |      |                  |                  |
| Payables                        |      | -                | 29,025           |
| <b>Total Liabilities</b>        |      | <u>-</u>         | <u>29,025</u>    |
| <b>Net Assets</b>               |      | <u>1,824,026</u> | <u>2,034,994</u> |

The above Statement should be read in conjunction with the accompanying notes.

## SPECIAL AIR SERVICE RESOURCES TRUST 3

### STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2023

|  | Note | 2023<br>\$       | 2022<br>\$       |
|--|------|------------------|------------------|
| <b>Revenue</b>   |      |                  |                  |
| Operating Activities:  |      |                  |                  |
| Donations received   |      | 51,750           | 96,835           |
| Non-Operating Activities:                                    |      |                  |                  |
| Interest received  |      | 5,021            | 973              |
| Dividends  |      | 37,224           | 38,716           |
| <b>Total Revenue</b>   |      | <u>93,995</u>    | <u>136,524</u>   |
| <b>Expenses</b>  |      |                  |                  |
| Bank and Merchant Fees                                       |      | 78               | -                |
| Portfolio Fees   |      | 9,711            | 10,851           |
| Squadron Functions   |      | 28,623           | 27,642           |
| <b>Total Expenses</b>  |      | <u>38,412</u>    | <u>38,493</u>    |
| <b>Net Income for the Period</b>                             |      | <u>55,583</u>    | <u>98,031</u>    |
| Distribution to beneficiaries:                               |      |                  |                  |
| Beneficiaries  |      | 244,856          | 298,213          |
| Wandering Warriors   |      | 59,055           | -                |
|  | 4    | <u>303,911</u>   | <u>298,213</u>   |
| <b>Net (deficit) for the period from ordinary activities</b> |      | <u>(248,328)</u> | <u>(200,182)</u> |
| Other Comprehensive Loss:                                    |      |                  |                  |
| Net realised profit/(loss) on sales of financial assets      |      | (20,136)         | (24,484)         |
| Movement in fair value of financial assets                   |      | 57,496           | (99,740)         |
| <b>Total Comprehensive Loss</b>                              |      | <u>(210,968)</u> | <u>(324,406)</u> |

The above Statement should be read in conjunction with the accompanying notes.

## SPECIAL AIR SERVICE RESOURCES TRUST 3

### STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2023

|   | Note | 2023<br>\$ | 2022<br>\$ |
|---|------|------------|------------|
| Cash flows from operating activities:   |      |            |            |
| Donations received                      |      | 51,750     | 96,835     |
| Investment income                       |      | 27,442     | 38,006     |
| Payments for services                   |      | (51,737)   | (34,105)   |
| Payments to beneficiaries               |      | (280,073)  | (274,625)  |
| Distribution                            |      | (59,055)   | -          |
| Interest received                       |      | 5,098      | 973        |
| Net cash (used in) operating activities | 6b   | (306,575)  | (172,916)  |
| Cash flows from investing activities:   |      |            |            |
| Payments for investments                |      | (20,136)   | (24,484)   |
| Net cash (used in) investing activities |      | (20,136)   | (24,484)   |
| Net decrease in cash held               |      | (326,711)  | (197,400)  |
| Cash at beginning of financial year     |      | 736,273    | 933,673    |
| Cash at end of financial year           | 6a   | 409,562    | 736,273    |

The above Statement should be read in conjunction with the accompanying notes.

## SPECIAL AIR SERVICE RESOURCES TRUST 3

### STATEMENT OF CHANGES IN TRUST FUNDS

FOR THE YEAR ENDED 30 JUNE 2023

|   | <b>Settlement<br/>Capital<br/>\$</b> | <b>Retained<br/>Surplus<br/>\$</b> | <b>Reserve<br/>Fund<br/>\$</b> | <b>Total<br/>\$</b> |
|---|--------------------------------------|------------------------------------|--------------------------------|---------------------|
| <b>Balance at 1 July 2021</b>   | 5,000                                | 2,342,602                          | 11,798                         | 2,359,400           |
| <b>Other comprehensive loss</b>                                       | -                                    | -                                  | (99,740)                       | (99,740)            |
| <b>Net realised profit/(loss) on disposal<br/>of financial assets</b> | -                                    | -                                  | (24,484)                       | (24,484)            |
| <b>Surplus/(deficit)</b>  | -                                    | (200,182)                          | -                              | (200,182)           |
| <b>Balance at 30 June 2022</b>  | 5,000                                | 2,142,420                          | (112,426)                      | 2,034,994           |
|   | <b>Settlement<br/>Capital<br/>\$</b> | <b>Retained<br/>Surplus<br/>\$</b> | <b>Reserve<br/>Fund<br/>\$</b> | <b>Total<br/>\$</b> |
| <b>Balance at 1 July 2022</b>   | 5,000                                | 2,142,420                          | (112,426)                      | 2,034,994           |
| <b>Other comprehensive income</b>                                     | -                                    | -                                  | 57,496                         | 57,496              |
| <b>Net realised profit/(loss) on disposal<br/>of financial assets</b> | -                                    | -                                  | (20,136)                       | (20,136)            |
| <b>Surplus/(deficit)</b>  | -                                    | (248,328)                          | -                              | (248,328)           |
| <b>Balance at 30 June 2023</b>  | 5,000                                | 1,894,092                          | (75,066)                       | 1,824,026           |

The above Statement should be read in conjunction with the accompanying notes.

## SPECIAL AIR SERVICE RESOURCES TRUST 3

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 30 JUNE 2023

##### **Note 1 - Statement of Significant Accounting Policies**

The financial report is a special purpose financial report which has been prepared in accordance with the recognition and measurement requirements of Australian Accounting Standards and other mandatory professional reporting requirements. The Special Air Service Resources Trust No 3 was established by Trust Deed dated 17 May 2011.

The Trust is not a reporting entity because it is unlikely that users exist who are unable to command the compilation of reports tailored so as to satisfy specifically all of their information needs.

This is a special purpose financial report that has been prepared in order to satisfy the financial reporting requirements of the Australian Charities and Not-for-profits Commission Act 2012 and for internal use by the Trust.

##### **(a) Basis of Preparation**

The requirements of Australian Accounting Standards do not have mandatory applicability to the Trust because it is not a "reporting entity". However, the Trustees have determined that in order for the financial report to give a true and fair view of the Trust's financial position and performance, the requirements of Accounting Standards relating to the recognition, measurement and classification of assets, liabilities, revenues, expenses and equity should be complied with.

Accordingly, the Trustees have prepared the financial report in accordance with the recognition, measurement and classification requirements of Australian Accounting Standards and the disclosure requirements of Accounting Standards AASB 101 Presentation of Financial Statements, AASB 107 Cash Flow, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors, AASB 124 Related Party Disclosures, AASB 1048 Interpretation of Standards and AASB 1054 Australian Additional Disclosures.

The financial report has been prepared on a historical basis, except for financial instruments which are measured at fair value.

The financial report is presented in Australian dollars.

##### **(b) Statement of Compliance**

Compliance with IFRS to the extent required by non-reporting entities does not result in the special purpose financial report comprising the financial statements and notes thereto, complying with International Financial Report Standards (IFRS) because IFRS do not exclude non reporting entities from the scope of its standards. However, this special purpose financial report does comply with the measurement requirements of IFRS.

In the current year, the Trust has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards (the AASB) that are relevant to its operations and effective for reporting periods beginning on or after 1 July 2020. The Trust adopted the disclosure requirements of AASB 124 Related Party Disclosures for the first time from the 1 July 2022. The adoption of these new and revised Standards and the Interpretations did not have any effect on the financial position or performance of the Trust.

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Trust for the annual reporting period ended 30 June 2023. The Trustee has not early adopted any of these new or amended standards or interpretations. The Trustee has not yet fully assessed the impact of these new or amended standards (to the extent relevant to the Trust) and interpretations.

## **SPECIAL AIR SERVICE RESOURCES TRUST 3**

### **NOTES TO THE FINANCIAL STATEMENTS (continued)**

#### **FOR THE YEAR ENDED 30 JUNE 2023**

##### **Note 1 - Statement of Significant Accounting Policies (continued)**

###### **(c) Significant Accounting Policies**

The following is a summary of the material policies adopted by the Trust in the preparation of the financial report.

###### **a) Revenue Recognition**

Donations are recognised as revenue when the amounts are received or deposited in the bank account. Donated assets are recognised as an asset at fair value at the date of donation.

Dividend revenue is recognised when received and distributions from Managed Trusts are recognised in the period to which the distribution relates.

Reimbursement of dividend imputation credits from the Australian Taxation Office is brought to account in the period in which the relevant dividends are received.

###### **b) Fundraising Functions**

Revenue from fundraising functions is disclosed in the period in which the function is held. All costs of the function are similarly disclosed in the period the function is held.

###### **c) Plant and Equipment**

Depreciation has been provided on plant and equipment so as to write off its value over its estimated working life of three years.

###### **d) Income Tax**

The Trust is exempt from income tax under the provisions of Section 23jii of the Income Tax Assessment Act.

###### **e) Financial Instrument**

Financial instruments are mutually measured at cost on trade date, which includes transaction costs when the related contractual rights or obligations exist. Subsequently these instruments are measured at fair value through profit and loss or fair value through other comprehensive income based on an irrevocable election on initial recognition.

When the Trust elects to recognise the assets at fair value through other comprehensive income the unrealised gains or losses arising from changes in value are to be taken directly to the reserve.

Dividends from the financial instruments are recognised in profit and loss when the right to receive payment is probable and can be reliably measured.

###### **f) Reserves**

The reserve records the revaluation of financial instruments. On de-recognition of the underlying financial instruments any cumulative gain or loss may be transferred within equity.

## SPECIAL AIR SERVICE RESOURCES TRUST 3

### NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2023

#### Note 2 – Cash Assets

|              | 2023    | 2022    |
|--------------|---------|---------|
|              | \$      | \$      |
| Cash at Bank | 409,562 | 736,273 |

#### Note 3 – Receivables

|                      | 2023   | 2022  |
|----------------------|--------|-------|
|                      | \$     | \$    |
| GST Receivables      | 9,003  | 1,115 |
| Prepayment -WEP      | 11,629 | -     |
| Interest Receivables | -      | 78    |
| SAS Resources Fund   | 14,928 | 5,147 |
|                      | 35,560 | 6,340 |

#### Note 4 – Payments to Beneficiaries

The Trust Deed directs that the Trustees may make payments to beneficiaries out of either the Net Income of the Trust or the capital of the Trust pursuant to clause 3.1 of the Deed of Trust or out of the accumulated income from previous accounting periods from time to time as the Trustees so determine.

#### Note 5 – Other Financial Assets

|                                    | 2023      | 2022      |
|------------------------------------|-----------|-----------|
|                                    | \$        | \$        |
| Other financial assets comprise:   |           |           |
| Investments in listed corporations | 1,378,904 | 1,321,406 |
| Fair value                         | 1,378,904 | 1,321,406 |

During the current year, the Trust provided funds to SART Holdings Pty Ltd in its capacity as trustee for investment in an external managed investment portfolio. The Trust maintains the unconditional right to decide when these investments are purchased, sold or otherwise transacted. Additionally, all benefits and costs associated with the investment are the responsibility of the Trust. The investments made are held under a declaration of trust for the Trust by three of the trustees.



## SPECIAL AIR SERVICE RESOURCES TRUST 3

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### FOR THE YEAR ENDED 30 JUNE 2023

##### Note 6 – Cash Flow Information

|   | 2023<br>\$ | 2022<br>\$ |
|---|------------|------------|
| a) Cash at the end of the period as shown in the statement of cash flows is reconciled to the related item in the statement of financial position as follows: |            |            |
| Cash at bank  | 409,562    | 736,273    |
| b) Reconciliation of net cash provided by operating activities  |            |            |
| Net surplus/(deficit) for year from ordinary activities   | (248,328)  | (200,182)  |
| Changes in assets and liabilities:  |            |            |
| (Increase)/Decrease in receivables  | (29,222)   | (1,759)    |
| Increase/(Decrease) in payables   | (29,025)   | 29,025     |
| Net Cash (used in) operating activities   | (306,575)  | (172,916)  |

##### Note 7 – Related Parties

###### Trustees

|                                |                       |
|--------------------------------|-----------------------|
| Dr Grant Walsh CSM (Chairman)  | Martin Hamilton-Smith |
| Caron Sugars (Deputy Chairman) | James McMahon         |
| Nicholas Brasington            | Dr Stefan Nidorf      |
| Christopher Ellison            | Kerry Stokes AC       |
| Ian Cransberg                  | Andrew Forrest AO     |
| Robert Druitt                  | Michelle Hawksley     |
| COMDSASR                       |                       |

The listed trustees held office for the full year.

Donations to the Trust were made by some of the Trustees.

## SPECIAL AIR SERVICE RESOURCES TRUST 3

### NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2023

#### Note 8 – Financial Instruments

##### a) Interest Rate Risk

The exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets is as follows:

|               | Weighted Average<br>Effective Interest<br>Rate 2022<br>% | Fixed Interest<br>Maturing Within<br>1 Year 2022<br>\$ | Non-Interest<br>Bearing<br>2022<br>\$ | Total<br>2022<br>\$ |
|---------------|--|--|---------------------------------------|---------------------|
| Bank Deposits | 0.1 - 0.23   | 736,270  | 3                                     | 736,273             |
| Receivables   |  | -  | 6,340                                 | 6,340               |
| Total         |  | 736,270  | 6,343                                 | 742,613             |

|               | Weighted Average<br>Effective Interest<br>Rate 2023<br>% | Fixed Interest<br>Maturing Within<br>1 Year 2023<br>\$ | Non-Interest<br>Bearing<br>2023<br>\$ | Total<br>2023<br>\$ |
|---------------|--|--|---------------------------------------|---------------------|
| Bank Deposits | 0.1 - 1.55   | 408,803  | 759                                   | 409,562             |
| Receivables   |  | -  | 35,560                                | 35,560              |
| Total         |  | 408,803  | 36,319                                | 445,122             |

##### b) The net fair value of financial assets approximates the values disclosed in the financial statements.

#### Note 9 – Financial Assets Reserves

|   | 2023<br>\$ | 2022<br>\$ |
|---|------------|------------|
| Opening balance   | (112,426)  | 11,798     |
| Revaluation increment/(decrement)                       | 57,496     | (99,740)   |
| Net realised profit/(loss) on sales of financial assets | (20,136)   | (24,484)   |
| Closing balance   | (75,066)   | (112,426)  |

#### Note 10 – Events after Balance Date

There have been no matters or circumstances that have arisen since 30 June 2023 that have or may significantly affect the operations, results or state of affairs of the Trust.

### SPECIAL AIR SERVICE RESOURCES TRUST 3

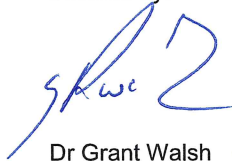
#### TRUSTEE'S DECLARATION

The Trustee has determined that the Trust is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The Trustee declares that:

- a) The financial statements and notes, as set out in the following pages, fairly describe the Trust's financial position as at 30 June 2023 and its performance for the period ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;
- b) In the Trustee's opinion there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the trustees and is signed on behalf of the trustees by:



Dr Grant Walsh  
Chairman

Dated: 31 Oct 23



Robert Druitt  
Treasurer

Dated: 31/10/2023