

The Property Industry Foundation Limited
Annual Report year ended 31 October 2022

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The Directors of The Property Industry Foundation Limited present their report for the year ended 31 October 2022.

The financial report is presented in Australian currency and was authorised for issue by the directors on 7 March 2023.

Directors of the Foundation

The persons listed below were directors of the Foundation during the whole of the year and up to the date of this report, unless noted otherwise:

Anthony Boyd (appointed 16 March 2022)
Virginia Briggs (appointed 1 November 2021)
Daryl Browning (resigned 17 August 2022)
Gregory Clarke (resigned 7 December 2022)
Murray Coleman (resigned 16 March 2022)
Jane Fitzgerald
Steven Gatt
Salvatore Guardala (appointed 4 November 2022)
Peter Inge (resigned 17 August 2022)
John W Kenny (resigned 16 March 2022)
Peter King (appointed 14 June 2022)
Penelope Ransom
Timothy Slattery (appointed 17 August 2022)
Malcom Tyson (appointed 16 March 2022)

Company Secretary

Terence Petry

Principal activities

The Property Industry Foundation provides funding and direct support for programs to assist homeless and at-risk youth.

Significant changes in the state of affairs

There were no other significant changes in the state of affairs of the Foundation during the year.

Review of operations

The entity's surplus for the year ended 31 October 2022 was \$126,427 (2021: surplus of \$140,080).

The directors were pleased to see a rebound in fundraising income following the negative impact of Covid lockdowns which forced the cancellation/scaling back of events in prior periods.

Matters subsequent to the end of the financial year

No matters or circumstances have arisen since 31 October 2022 that have significantly affected, or may significantly affect the Foundation's operation or state of affairs.

Likely developments and expected results of operations

The entity will continue to pursue its objective of building houses for homeless youth.

Environmental regulation

The entity is not subject to any significant environmental regulation.

Auditor's Independence Declaration

The auditor's independence declaration as required under section 60-40 of the Australian Charities and Not-for-Profit Commission (ACNC) Act 2012 is set out on page 5 and forms part of the Directors' Report.

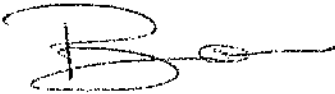
Insurance of officers

During the financial year, the Property Industry Foundation paid a premium of \$4,294 to insure the directors, officers and secretary of the entity.

The Property Industry Foundation Limited
Directors' Report (continued)
For the financial year ended 31 October 2022

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the entity, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the combined entity. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

This report is made in accordance with a resolution of directors of The Property Industry Foundation Limited.

A handwritten signature in black ink, appearing to be 'Penelope Ransom', with a stylized flourish at the end.

Penelope Ransom
Chairman
Sydney, 7 March 2023



Placeholder for PwC Independence Declaration

The Property Industry Foundation Limited
Statement of Comprehensive Income
For the financial year ended 31 October 2022

	Notes	2022 \$	2021 \$
REVENUE			
Donation & Fundraising Income			
Donations	3	2,422,910	2,501,670
Fundraising Income	3	<u>3,376,268</u>	<u>1,281,981</u>
		5,799,178	3,783,651
Investment Income			
Distributions & Dividends		251,492	103,281
Realised gains/(losses)		-	(7,203)
Unrealised gains/(losses)		(612,449)	338,249
Interest Income		<u>67</u>	<u>103</u>
		(360,890)	434,430
Other Income			
Government Subsidies (Jobkeeper & JobSaver)		-	212,580
		-	<u>212,580</u>
Total Revenue and Investment & Other income		<u>5,438,288</u>	<u>4,430,661</u>
EXPENSES			
Yachting regattas		(238,642)	(121,481)
Annual balls/dinners		(157,662)	(10,833)
Networking and other events		(118,191)	(20,577)
National Hard Hat Day		(11,687)	(3,314)
Cycling Rallies		(291,461)	(74,511)
Fitness Challenge		(10,352)	(17,202)
Appeals		(6,247)	(24,951)
Future Leaders SleepOut		(18,059)	(1,960)
Employee benefits expense	4	(1,762,503)	(1,488,785)
Depreciation	4	(24,228)	(37,816)
IT related services and charges		(35,080)	(35,940)
Office occupation expense	4	(62,323)	(47,534)
Office supplies expense		(5,846)	(2,626)
Marketing and travel expenses		(110,222)	(85,788)
Utilities expense		(5,941)	(4,806)
Insurance expense		(13,968)	(13,682)
Other expenses		<u>(152,362)</u>	<u>(171,794)</u>
Total Expenses		<u>(3,024,774)</u>	<u>(2,163,600)</u>
Surplus before income tax expense		2,413,514	2,267,061
Income tax expense	1(b)	-	-
Surplus after income tax expense		2,413,514	2,267,061
Distributions to eligible charities		(2,287,087)	(2,126,981)
Net surplus/(deficit)		<u>126,427</u>	<u>140,080</u>
Other Comprehensive income/(loss)		-	-
Total Comprehensive Income/(loss) for the year		<u>126,427</u>	<u>140,080</u>

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

The Property Industry Foundation Limited
Statement of Financial Position
For the financial year ended 31 October 2022

	Notes	2022 \$	2021 \$
ASSETS			
Current assets			
Cash assets	5	1,557,915	683,109
Receivables	6	70,435	101,745
Other	7	94,492	117,945
Total current assets		1,722,842	902,799
Non-current assets			
Financial assets at fair value through profit or loss	8	2,893,287	3,276,317
Property, plant and equipment	9	37,969	51,341
Total non-current assets		2,931,256	3,327,658
Total assets		4,654,098	4,230,457
LIABILITIES			
Current liabilities			
Payables		104,665	22,708
Accruals		3,495	8,522
Employee benefit obligations		135,476	129,255
Deferred Income		384,692	170,628
Total current liabilities		628,328	331,113
Non-current liabilities			
Provisions	10	20,000	20,000
Total liabilities		648,328	351,113
Net assets		4,005,770	3,879,343
EQUITY			
Units issued / Contributed Equity	11	-	100
Retained surpluses	12	4,005,770	3,879,243
Total equity		4,005,770	3,879,343

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

The Property Industry Foundation Limited
Statement of Changes in Equity
For the financial year ended 31 October 2022

	Contributed Equity \$	Reserves \$	Accumulated (Deficit)/Surplus \$	Total \$
Balance at 1 November 2020	100	-	3,739,163	3,769,263
Net surplus for the year	-	-	140,080	140,080
Other comprehensive income for the year:	-	-	-	-
Balance at 31 October 2021	100	-	3,879,243	3,879,343
Balance at 1 November 2021	100	-	3,879,243	3,879,343
Net surplus for the year	-	-	126,427	126,427
Transfer to Retained Earnings:	(100)	-	100	-
Other comprehensive income for the year:	-	-	-	-
Balance at 31 October 2022	-	-	4,005,770	4,005,770

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

The Property Industry Foundation Limited
Statement of Cash Flows
For the financial year ended 31 October 2022

	Notes	2022 \$	2021 \$
Cash flows from operating activities			
Receipts from donations and fundraising activities		5,575,011	3,161,040
Payments for fundraising activities		<u>(1,090,197)</u>	<u>(353,062)</u>
		4,484,814	2,807,978
Interest received		67	103
Payments to other suppliers and employees		(2,041,639)	(1,936,557)
Distributions to eligible charities		<u>(1,579,652)</u>	<u>(1,046,449)</u>
Net cash (outflow)/inflow from operating activities	17	<u>863,590</u>	<u>(174,925)</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(10,856)	(5,949)
Receipts/(Payments) for fair value through profit and loss assets		(229,419)	(79,281)
Distributions received from fair value through profit and loss assets		<u>251,492</u>	<u>103,281</u>
Net cash (outflow)/inflow from investing activities		<u>11,217</u>	<u>18,051</u>
Cash flows from financing activities			
Net cash inflow from financing activities		<u>-</u>	<u>-</u>
Net increase/(decrease) in cash held		874,806	(156,874)
Cash at the beginning of the financial year		<u>683,109</u>	<u>839,983</u>
Cash at the end of the financial year	5	<u>1,557,915</u>	<u>683,109</u>

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

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Note 1. Summary of significant accounting policies

Comparative Numbers – Background

The Property Industry Foundation was originally established in 1995 as a Public Ancillary Fund (“Old Foundation”), with Property Industry Foundation Pty Limited ABN 81 071 443 797 as the trustee. In recent years the activities of the Foundation have evolved from simply funding programs run by other charities (as would be expected from a Public Ancillary Fund) to itself providing direct relief through the building of bedrooms and other facilities for homeless and at-risk youth (activities more befitting a Public Benevolent Institution). For this reason, and following consultation with the Foundation’s legal advisers, the Australian Taxation Office and the Australian Charities and Not-for-profit Commission (“ACNC”), a new entity was established as a Public Benevolent Institution and registered as The Property Industry Foundation Limited ABN 67 641 455 709 (“New Foundation”) and is a company limited by guarantee.

During the 2021 financial year the Old Foundation was gradually wound down with new activities being performed by the New Foundation. While both the Old and New Foundations existed during the 2021 financial year, the activities and management of the combined entity as a whole remained unchanged and accordingly the accounts of the two entities for that year were grouped (combined) into a single set of Financial Statements in order to best reflect the Foundation’s operations and financial position. Separate Financial Statements for the Old and New Foundations were not presented as individually they provided incomplete information and were of limited value to stakeholders. Permission for the Old Foundation and the New Foundation to satisfy their reporting obligations to the ACNC by lodging one combined financial report for the combined entity was given by the ACNC.

For the financial year 2022 the “Old Foundation” was no longer operating with its ACNC registration being cancelled on 12 November 2021 and the company’s de-registration with ASIC occurring on 26 January. Accordingly, the 2022 report only covers the activities of the “New Foundation” from 1 November 2022. As the Old Foundation has been deregistered, the New Foundation is referred to simply as Foundation in this report.

Further, as there has been no substantive change in the underlying operations and governance of the Foundation, the transfer of the assets and liabilities has been accounted for as a capital reorganisation at cost. As a consequence, the financial statements of the Foundation, including the comparatives, are presented as a continuation of the business of the Old Foundation. The change to the capital structure of the entity has been reflected by transferring the contributed capital of Old Foundation to retained earnings on 12 November 2021.

These financial statements have been prepared by the directors of the Property Industry Foundation Limited (together “the Directors”). The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The entity is domiciled in Australia. Its registered office and principal place of business is:

Suite 5 Level 2 Grafton Bond Building
201 Kent Street Sydney NSW 2000

a) Basis of preparation

These general purpose financial statements have been prepared to satisfy the reporting obligations of the Foundation for the purpose of complying with the Australia Charities and Not-for-profits Commission Act 2012 requirements. The financial statements present the results of the Property Industry Foundation Limited for the year ended 31 October 2022.

This note provides a list of all significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

The financial statements have been prepared in accordance with the recognition and measurement principles of Australian Accounting Standards and other mandatory professional requirements in Australia.

The entity is a not-for-profit entity for the purpose of preparing the financial statements.

(i) Compliance with Australian Accounting Standards – Simplified disclosure requirements

The financial statements of the entity comply with Australian Accounting Standards – Simplified Disclosure Requirements as issued by the Australian Accounting Standards Board (AASB) except as described above.

(ii) Going Concern

The financial report has been prepared on the basis that the entity is a going concern, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business. Factors considered in making this assessment include the current year to date performance and forecasts.

(iii) Historical cost convention

These financial statements have been prepared under the historical cost convention other than Investments in Managed Funds which are carried at fair value. Refer to note 1(l) for further information.

(iv) New and amended standards adopted

The Foundation has applied the following standards and amendments for first time for their annual reporting period commencing 1 July 2021:

- AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

The Foundation adopted AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities in the current year. Other than the change in disclosure requirements, the adoption of AASB 1060 has no significant impact on the financial statements because the group previously complied with Australian Accounting Standards – Reduced Disclosure Requirements in preparing its financial statements.

(v) Early adoption of standards

The entity has not elected to apply any pronouncements before their operative date in the annual reporting period beginning 1 November 2021.

(vi) Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the entity's accounting policies. These include estimates of the fair value of financial assets held at fair value through Profit or Loss.

b) Income tax

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

c) Revenue

Revenue is measured at the fair value of the consideration received or receivable. The entity records revenue when the amount of revenue can be reliably measured, it is probable that economic benefits will flow to the entity and specific criteria have been met for each of the entity's activities as detailed below.

Revenue is recognised for the major business activities as follows:

(i) Revenue recognition policy for revenue from contracts with customers (AASB 15)

AASB 15 requires revenue to be recognised where there is an 'enforceable' contract with a customer with sufficiently specific performance obligations being satisfied.

The basis for revenue recognition is a 5-step model as follows:

1. Identify the contract with the customer

2. Identify sufficiently specific performance obligations
3. Determine the transaction price
4. Allocate the transaction price
5. Recognise revenue

(ii) Revenue recognition policy for income of not-for-profit entities (AASB 1058)

If it is not an enforceable arrangement and/or the performance obligation are not sufficiently specific, then income is recognised under AASB 1058, almost always immediately.

Functions

Revenue from fundraising functions is recognised when the event occurs.

Donations

Amounts disclosed as donation revenues are recognised on a cash received basis except when there are specific obligations attached to the donation, in which case the donation is recognised as deferred income until those obligations are satisfied.

Building services contributions and Other volunteer services

The entity receives pro bono services or in-kind donations from a range of providers involved in the property industry. To the extent that such in-kind donations relate to building or refurbishing works, the fair value of these goods or services, as determined by the entity, are recognised as revenue with an equivalent expense. The amount of revenue recognised in respect of pro bono services and in-kind services during the financial year was \$707,435 (2021: \$1,080,532). The entity has elected as a policy decision not to recognise other classes of volunteer services due to the variety of sources and impracticality of measurement.

(iii) Interest income

Interest income is recognised using the effective interest rate method.

(iv) Investment income

Distributions are recognised as revenue when the right to receive payment is established.

d) Leases

In accordance with AASB 2018-8 *Amendments to Australian Accounting Standards – Right-of-Use Assets of Not-for-Profit Entities* (AASB 2018-8), the AASB provided a temporary option for not-for-profit lessees to elect to measure a class (or classes) of right-of-use assets arising under concessionary (or below-market) leases at initial recognition, either:

- at cost, which incorporates the amount of the initial measurement of the lease liability; or
- at fair value

The entity has elected to recognise this at cost.

The entity occupies its principal place of business under a lease which it receives concessionary or below market terms and conditions principally to enable the entity to further its charitable objectives. This lease expires on 30 November 2024.

e) Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Receivables are non-interest bearing. Receivables are generally due for settlement within 30 days.

Collectability of receivables is reviewed on an ongoing basis. The entity applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

Debts which are known to be uncollectible are written off by reducing the carrying amount directly. A provision for doubtful receivables is used when there is objective evidence that the entity will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is recognised in the statement of comprehensive income within other expense. When receivables for which a provision allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the statement of comprehensive income.

f) Property, plant and equipment

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the reporting period in which they are incurred.

Depreciation on assets is calculated using the straight-line method to allocate their cost or re-valued amounts, net of their costs, over their estimated useful lives, as follows:

Office equipment	3 years
Furniture and fittings	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and included in the statement of comprehensive income.

g) Payables

These amounts represent liabilities for goods and services provided to the entity prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest rate method.

h) Provisions

Provisions are recognised when the entity has a present legal or constructive obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been readily estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting date. The increase in the provision due to the passage of time is recognised as interest expense.

i) Employee benefits

(i) Wages, salaries and annual leave

Liabilities for wages and salaries, including annual leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

(ii) Long service leave

The liability for long service leave is recognised in provisions and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(iii) Retirement Benefit Obligations

All employees of the company are entitled to benefits from superannuation on retirement, death or disability. The company contributes to defined contribution superannuation funds as nominated by the individual employees and these contributions are recognised as an expense as they become payable.

j) Cash and cash equivalents

For purposes of the statement of cash flows, cash and cash equivalents includes cash on hand, deposits at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

k) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

l) Investments – managed funds

Investments in managed funds are comprised of listed securities and unlisted managed funds. The fair value of listed securities and listed trusts is determined by the market price of the investment at Reporting Date. The fair value of unlisted managed funds is determined using market data and rely as little as possible on specific estimates and is provided by the fund manager.

Note 2. Financial risk management

The entity's activities expose it to a variety of financial risks including credit risk, market and liquidity risk. The entity's overall financial risk management program seeks to minimise the potential adverse effects of these risks on the financial operations of the entity. The entity uses an approved annual budget of expenditure and cashflow forecasts to monitor financial risks.

The entity manages its capital by budgeting its operations in line with the existing fundraising activities, donations and contributions from the public and the timing, nature and quantum of distributions to eligible charities.

The Finance & Audit Committee, a subcommittee of the Board, reviews financial risks and reports to the board. A separate committee, the Risk Management Committee, a subcommittee of the Board, is responsible for reviewing other risk areas. The Board provides approval for overall risk management covering specific areas such as credit risk and market risk.

Refer to note 8 for the Foundation's investments that are held at fair value through profit and loss.

Note 3. Revenue – Donations and fundraising income

	2022	2021
	\$	\$
Revenue		
Donations		
National donations	727,500	640,500
Platinum donations	227,500	221,500
Gold donations	150,250	93,000
Silver donations	132,500	102,000
General corporate donations	127,833	30,925
Regular Giving donations	22,514	31,285
Appeals	46,698	80,928
Building Fund donations	280,680	221,000
Building services contributions and other volunteer services	707,435	1,080,532
	2,422,910	2,501,670
Fundraising revenue		
National Hard Hat Day	208,025	114,520
Annual Balls/Dinners	572,071	35,069
Yachting regattas	633,360	403,073
Furniture Fund	232,935	134,825
Cycling rallies	685,011	76,933
Future Leaders SleepOut	118,522	-
Walk Against Homelessness	280,104	-
Fitness Challenges	157,735	250,302
Networking and other events	488,505	267,259
	3,376,268	1,281,981
	5,799,178	3,783,651

Note 4. (Deficit)/Surplus

Surplus before income tax includes the following expenses:

	2022	2021
	\$	\$
Depreciation of non-current assets	24,228	37,816
Employee benefits expense	1,762,503	1,488,785
Office occupation expense	62,323	47,534

Note 5. Cash and cash equivalents

	2022	2021
	\$	\$
Cash at bank and on hand	1,557,915	683,109

Note 6. Receivables

	2022	2021
	\$	\$
Receivables	70,435	101,745

These amounts generally arise from fundraising events.

Note 7. Other assets

	2022	2021
	\$	\$
Prepayments	78,733	92,583
Other	15,759	25,362
Current assets - other	94,492	117,945

Note 8. Financial assets at fair value through profit or loss

Fair value through profit and loss financial assets include the following classes of financial assets:

	2022	2021
	\$	\$
Financial assets at fair value through profit or loss		
Investments – Managed funds	2,893,287	3,276,317
	2,893,287	3,276,317

Note 9. Property, plant & equipment

	Furniture Fittings	Office Equipment	Total
At 31 October 2021			
Cost	163,533	269,675	433,208
Accumulated depreciation	(160,532)	(221,335)	(381,867)
Net book amount	3,001	48,340	51,341
Year ended 31 October 2022			
Opening net book amount	3,001	48,340	51,341
Additions	-	10,856	10,856
Depreciation charge	(622)	(23,606)	(24,228)
Closing net book amount	2,379	35,590	37,969
At 31 October 2022			
Cost	163,533	280,531	444,064
Accumulated depreciation	(161,154)	(244,941)	(406,095)
Net book amount	2,379	35,590	37,969

Note 10. Provisions

	2022	2021
	\$	\$
Make good provision	20,000	20,000
	20,000	20,000

(a) Make good provision

The entity is required to restore the leased premises to their original condition at the end of the respective lease terms. A provision has been recognised for the estimated expenditure required to remove any leasehold improvements. These costs have been capitalised and are amortised over the shorter of the term of the lease or the useful life of the assets.

Note 11. Units issued

	2022	2021	2022	2021
	Units	Units	\$	\$
Units issued	-	100	-	100

During the year, upon cancellation of the units in the Old Foundation, the balance of the units on issue was transferred to retained earnings of the New Foundation.

The New Foundation, being a company limited by guarantee, has no share capital. Members are liable for the amount of their guarantee, which is \$10 per member and there are currently 9 members.

Note 12. Retained surpluses

	2022	2021
	\$	\$
Retained surplus at the beginning of the financial year	3,879,243	3,739,163
Cancellation of units of Old Foundation upon deregistration	100	-
Net surplus/(deficit) for the financial year	126,427	140,080
Retained surplus at the end of the financial year	4,005,770	3,879,243

Note 13. Remuneration of auditors

The audit of the entity for the year ended 31 October 2022 was carried out by PricewaterhouseCoopers. The audit is done on an honorary basis and therefore no expense was incurred by the entity.

Note 14. Related parties

The following persons were directorship of the Foundation for the whole of the year and up to the date of this report unless noted otherwise.

Anthony Boyd (appointed 16 March 2022)
Virginia Briggs (appointed 1 November 2021)
Daryl Browning (resigned 17 August 2022)
Gregory Clarke (resigned 7 December 2022)
Murray Coleman (resigned 16 March 2022)
Jane Fitzgerald
Steven Gatt
Salvatore Guardala (appointed 4 November 2022)
Peter Inge (resigned 17 August 2022)
John W Kenny (resigned 16 March 2022)
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Penelope Ransom
Timothy Slattery (appointed 17 August 2022)
Malcom Tyson (appointed 16 March 2022)

Company Secretary

Terence Petry

Transactions with directors and director-related entities

Several of the directors are employees or directors of donor companies who have paid donations in the year to become members of the entity and who provide in kind donations or sponsorships in the ordinary course of business. Set out below are the contributions made by director related entities during the financial year (excluding participation in fundraising events in the ordinary course of business).

	2022	2021
	\$	\$
Donations	416,000	170,000
Sponsorships	80,000	90,000
Total donations & sponsorships	496,500	260,000

Key management personnel compensation

	2022	2021
	\$	\$
	437,510	425,848

Remuneration of directors

Non-executive directors are not remunerated in connection with the management of the affairs of the entity.

Note 15. Commitments & Contingencies

Lease commitments:

(i) Non-cancellable operating leases

The entity leases office space in Sydney & Brisbane under non-cancellable operating leases expiring within 5 years.

2022	2021
\$	\$

Commitments for minimum lease payments in relation to a non-cancellable operating lease are payable as follows:

Within one year	69,026	59,628
Later than one year but not later than five years	50,349	142,096
	<u>119,375</u>	<u>201,724</u>

Charitable commitments:

The entity refurbished a facility owned by Wesley Mission and subsequently agreed to fund counsellors/youth workers for this facility (Haven House Dundas) for 5 years at \$300,000 per year (paid quarterly) commencing 1 July 2019 and expiring 1 July 2024 which give rise to the following commitments:

2022	2021
\$	\$

Commitment to fund counsellors/youth workers:

Within one year	300,000	300,000
Later than one year but not later than five years	225,000	525,000
	<u>525,000</u>	<u>825,000</u>

Contingencies:

It is the Directors' view that there are no contingent liabilities.

Note 16. Charitable Disbursements

During the year the entity made distributions to charities totalling \$2,287,087 (2021: \$2,126,981). In addition, in the current and prior years the entity has approved in principle funding of a number of projects which are expected to proceed in 2023.

Note 17. Cash flow information

Reconciliation of operating surplus to net cash flows from operating activities.

	2022	2021
	\$	\$
Net Surplus/(Deficit)	126,427	140,080
Depreciation	24,228	37,816
(Gain)/Loss on disposal of investment funds	-	7,204
Unrealised (gain)/loss on investment funds	612,449	(338,249)
Dividends reinvested in investment funds	(251,492)	(103,281)
 Change in operating assets and liabilities:		
(Increase)/decrease in receivables	31,309	(3,520)
(Increase)/decrease in other assets	23,454	(96,336)
Increase/(decrease) in deferred income	214,065	170,628
Increase/(decrease) in payables	81,957	(12,659)
Increase in provisions	1,193	23,292
Net cash (outflow)/inflow from operating activities	863,590	(174,925)

Note 18. Events occurring after the balance sheet date

No matter or circumstances has arisen since 31 October 2022 that has significantly affected or may significantly affect the entity's operation or state of affairs.

Note 19. Additional information furnished under the *Charitable Fundraising Act 1991* and the Regulations

	2022	2021
	\$	\$
a) Details of gross income and expenditure of fundraising appeals		
Gross proceeds from fundraising appeals ¹	3,376,268	1,281,981
Total costs of fundraising appeals	<u>(852,302)</u>	<u>(274,829)</u>
Net surplus from fundraising	<u>2,523,965</u>	<u>1,007,152</u>

¹Gross proceeds from fundraising exclude donations

	2022	2021
	\$	\$
b) Statement showing how funds received were applied to charitable purposes		
Net surplus from fundraising	2,523,965	1,007,152
This was applied to charitable purposes in the following manner:		
Distributions to eligible charities (excluding value of pro bono/in-kind services)	<u>(1,579,652)</u>	<u>(1,046,449)</u>
Surplus/(Deficit) in funds available from fundraising	<u>944,313</u>	<u>(39,297)</u>

c) Fundraising appeals conducted during the year

Special events held during the year included National Hard Hat Day, Networking Forums, Annual Foundation Dinners, Yachting Regattas, charity sleepouts and Cycling Rallies.

d) Comparison of monetary figures and percentages

	2022	2021
	\$	\$
Total cost of fundraising	852,302	274,829
Gross income from fundraising	<u>3,376,268</u>	<u>1,281,981</u>
% of fundraising cost over income	<u>25%</u>	<u>21%</u>
Net surplus from fundraising	2,523,965	1,007,152
Revenue	<u>3,376,268</u>	<u>1,281,981</u>
% of surplus over revenue	<u>75%</u>	<u>79%</u>
Total distributions to eligible charities (excluding value of pro bono/in-kind services)	1,579,652	1,046,449
Net surplus from fundraising	<u>2,523,965</u>	<u>1,007,152</u>
% of total distributions to eligible charities over surplus	<u>63%</u>	<u>104%</u>
Total distributions to eligible charities (including value of pro bono/in-kind services)	2,287,087	2,126,981
Net surplus from fundraising	<u>2,523,965</u>	<u>1,007,152</u>
% of total distributions to eligible charities over surplus	<u>91%</u>	<u>211%</u>

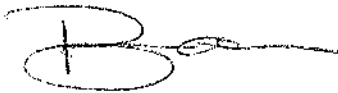
The Property Industry Foundation Limited
Directors' Declaration
For the financial year ended 31 October 2022

Declaration for the year ended 31 October 2022

The Directors of The Property Industry Foundation Limited declare that in our opinion:

- (a) the financial statements and notes set out on pages 5 to 22 are in accordance with the Australian Charities and Not-for-Profit Commission (ACNC) Act 2012 the Trust Deed and the Constitution, including:
 - (i) complying with Accounting Standards, and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the entity's financial position as at 31 October 2022 and of its performance for the financial year ended on that date; and
- (b) there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they become due and payable.;
- (c) the accounts give a true and fair view of all income and expenditure with respect to fundraising appeals;
- (d) the provisions and regulations of the *Charitable Fundraising Act 1991 (NSW)* and the conditions attached to the fundraising authority have been complied with by the Foundation.
- (e) the internal controls in operation by the Foundation are appropriate and effective in accounting for all income received and applied by the Foundation from any of its fundraising appeals.

This declaration is made in accordance with a resolution of the Directors of the Property Industry Foundation Limited.



Penelope Ransom
Chairman
Sydney
7 March 2023



Placeholder for PwC opinion