

SONY FOUNDATION AUSTRALIA LIMITED
TRUSTEE OF
SONY FOUNDATION AUSTRALIA TRUST
AND
SONY FOUNDATION CHILDREN'S
CAMP CHARITABLE TRUST

ABN 33 086 967 222

Annual Directors' (Trustees') Report and Financial Report

For the year ended 30 June 2021

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Sony Foundation Australia Limited

Directors' (Trustees') Report

For the year ended 30 June 2021

The directors of Sony Foundation Australia Limited, as "trustees" of Sony Foundation Australia Trust ("foundation") and Sony Foundation Children's Camp Charitable Trust, present the financial statements for the year ended 30 June 2021.

This financial report covers the operations of Sony Foundation Australia Trust and Sony Foundation Children's Camp Charitable Trust (the "foundations") as a consolidated entity with the Trustee.

1. Directors

The following persons held office as directors of the trustee during the financial year and up to the date of this report, unless otherwise stated, as detailed below:

C O'Connor (Chair)	D Eales
S Basil-Jones	M Fennessy
G Fialho	M Fuller - appointed as Director on 2 March 2021
D Handlin - ceased as Director on 21 June 2021	D Rosengren
Y Otsuki	

2. Information on Directors

Director	Qualifications and experience
C O'Connor (Chair)	Chief Executive Officer, oOh! Media
S Basil-Jones	Executive Vice President Australia, New Zealand & Northern Asia, Sony Pictures Releasing
G Fialho	General Manager, Sony Interactive Entertainment Australia & New Zealand
D Handlin	AO, Chairman and CEO Sony Music Entertainment Australia & New Zealand
Y Otsuki	Managing Director, Sony Australia and New Zealand
D Eales	Head of Global Transformation, News Corp
M Fennessy	AM, Chairman, Helium Ltd
M Fuller	APM, Commissioner, NSW Police Force
D Rosengren	MBBS, FACEM, Senior Staff Specialist Emergency Physician and Executive Director, Royal Brisbane and Women's Hospital

3. Directors' attendance at meetings

During the year there were Board meetings held.

	Number Eligible	Number Attended
C O'Connor (Chair)	3	3
S Basil-Jones	3	2
G Fialho	3	3
D Handlin	3	3
Y Otsuki	3	3
D Eales	3	3
M Fennessy	3	3
M Fuller	2	1
D Rosengren	3	3

4. Principal activities

The principal activity of the Foundations are to undertake charitable fundraising activities and accept donations from businesses and the public at large. With those funds the Foundation provides a unique contribution to the development of the Australian community by supporting and assisting its youth and fostering their talents. This is an aggregated representation of both Sony Foundation Australia Trust and Sony Foundation Children's Camp Charitable Trust.

5. Future developments

The Foundations are expected to continue its fundraising activities, raising money for its charitable programs through donations from fundraising events, the public and corporate sponsors.

Directors' (Trustees') Report (continued)

For the year ended 30 June 2021

6. Place of business

The Foundations are limited by guarantee, incorporated and domiciled in Australia. In the event of the Foundations being wound up, the liability of each member is limited to \$1. Its registered office and principal place of business are:

Registered office: 11-19 Hargrave Street, East Sydney, NSW 2010
Principal place of business: 11-19 Hargrave Street, East Sydney, NSW 2010

7. Matters subsequent to the end of the financial year

No matters or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect:

- (a) the Foundations' operations in future financial years, or
- (b) the results of those operations in future financial years, or
- (c) the Foundations' state of affairs in future financial years.

The trustees are not aware of any other matter or circumstance not otherwise dealt with in the financial statements that has significantly or may significantly affect the operations of the Foundations in subsequent financial years.

8. Changes in the state of affairs

The COVID-19 outbreak was declared a pandemic by the World Health Organisation in March 2020. The outbreak and the response of the Government in dealing with the pandemic is impacting general activity levels within the community and the economy. Following the COVID-19 outbreak, the Foundation continued to deliver projects and programs to support vulnerable young Australians and also work to mitigate negative impact by developing new fundraising opportunities. There has however, been a substantial impact on the Foundation's event income stream given restrictions placed on events and large gatherings for the year ended 30 June 2021.

Subsequent to the reporting period, there has not been any significant changes with regard to charitable programs and projects, and Sony Foundation has been able to ensure that all prior funding commitments have been met. As circumstances remain unprecedented and restrictions on events and large gatherings remain a restraint on fundraising, Sony Foundation continues to pay close attention to potential implications of the pandemic and the impact on operations, which may include disruptions to future fundraising, the availability of employees and commitments to future projects.

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

9. Review of operations

The net deficit of the Foundations for the financial year was \$721,819 (2020: net deficit of \$831,586) and was determined after:

	2021 \$	2020 \$
Donations from Corporate Partners and Sony Members Companies	163,076	227,624
Wharf 4 Ward	6,550	1,746,090
River 4 Ward	19,900	-
Brissy 4 Ward	97,509	586,798
You Can Campaign	887,860	48,974
Bushfire Appeal	530,022	-
Drought Relief	-	278,954
Other Fundraising income	403,479	141,392
Interest income	16,746	62,008
Volunteer services	243,039	210,075
Total income	2,368,181	3,301,915
Less:		
Fundraising expenses/outgoings	483,087	1,125,338
Outgoings to unrelated parties	11,732	24,268
Donation to Youth off the Streets	150,000	150,000
Donation to Schools for Holiday Camps	142,819	390,762
Donation to Talent Development Project	30,000	30,000
Donation to The Royal Women's Hospital Foundation VIC	95,000	121,000
Donation to The Royal Hospital for Women Foundation NSW	100,000	100,000
Donation to Peter MacCallum Cancer Centre	50,470	54,000
Donation to Musicians Making a Difference	200,000	140,000
Donation to University of Western Australia	-	38,045
Donation to Tour de Cure	500,000	150,000
Donation to Foundation for Rural and Regional Renewal	-	260,013
Donation to Police Citizens Youth Clubs (PCYC) NSW	60,420	-
Donation to Backtrack Youth Works	200,430	-
Donation to Rural Aid	279,003	-
Donation to Chris O'Brien Lifehouse	500,000	500,000
Donation to South Eastern Local Health District	-	500,000
Donation to Metro North Hospital & Health Services	44,000	400,000
Other expenses	243,039	210,075
Total expenses	3,090,000	4,133,501
Net Deficit	(721,819)	(831,586)

Sony Foundation Australia Limited

Directors' (Trustees') Report (continued)

For the year ended 30 June 2021

10. Taxation

Sony Foundation Australia Limited, as trustee of each of the foundations, has been endorsed as an income tax exempt entity under Subdivision 50-B of the Income Tax Assessment Act 1997 by the Commissioner of Taxation.

11. Dividends

As the Foundations are the charity under its constitution no dividends will ever be declared or paid.

12. Environmental regulation

The directors do not believe that the Foundation is subject to any specific environmental regulations.

13. Insurance of officers

During the financial year, a related entity, Sony Australia Limited, paid premiums to insure certain officers of the Foundations under its Association Liability Insurance policy, a blanket policy covering assets, directors and officers and employment practices for volunteers and staff.

The officers of the Foundations covered by the insurance policy are the directors and senior management team.

The liabilities insured include costs and expenses that may be incurred by defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Foundation.

14. Auditor

PricewaterhouseCoopers continues in office in accordance with section 327 of the *Corporations Act 2001*.

15. Auditors' independence declaration

A copy of the auditors' 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 6.

The report is made in accordance with a resolution of the directors of the trustee.



S Dasil-Jones
Director



Y Otsuki
Director

28 October 2021
Sydney



Auditor's Independence Declaration

As lead auditor for the audit of Sony Foundation Australia Limited for the year ended 30 June 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Sony Foundation Australia Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'Jason Hayes', with a long, sweeping horizontal stroke extending to the right.

Jason Hayes
Partner
PricewaterhouseCoopers

Sydney
28 October 2021

PricewaterhouseCoopers, ABN 52 780 433 757

One International Towers Sydney, Watermans Quay, Barangaroo, GPO BOX 2650, SYDNEY NSW 2001
T: +61 2 8266 0000, F: +61 2 8266 9999, www.pwc.com.au

Level 11, 1PSQ, 169 Macquarie Street, Parramatta NSW 2150, PO Box 1155 Parramatta NSW 2124
T: +61 2 9659 2476, F: +61 2 8266 9999, www.pwc.com.au

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Sony Foundation Australia Limited

Statement of Comprehensive Income

For the year ended 30 June 2021

	Notes	2021 \$	2020 \$
Revenue from continuing operations	2, 7	2,368,181	3,301,915
Distribution to You Can Centres	7	(544,000)	(1,400,000)
Distribution to other charities	7	(1,808,142)	(1,373,820)
Fund raising expenses	7	(483,087)	(1,125,338)
Other expenses		<u>(254,771)</u>	<u>(234,343)</u>
Net Deficit before income tax	7	(721,819)	(831,586)
Income tax expense		-	-
Net Deficit after income tax	7	<u>(721,819)</u>	<u>(831,586)</u>
Other comprehensive income for the year, net of tax		-	-
Total comprehensive Loss for the year	7	<u>(721,819)</u>	<u>(831,586)</u>

The above Statement of Comprehensive Income should be read in conjunction with the accompanying commentary and notes.

Sony Foundation Australia Limited

Balance Sheet

As at 30 June 2021

	Notes	2021 \$	2020 \$
Current assets			
Cash and cash equivalents	3	3,458,292	4,356,354
Receivables	4	653,715	357,120
Other assets		26,689	26,690
Total current assets		<u>4,138,696</u>	<u>4,740,164</u>
Total assets		<u>4,138,696</u>	<u>4,740,164</u>
Current liabilities			
Payables	5	24,904	1,406
Deferred income		264,672	79,700
Contract liabilities		-	52,192
Other current liabilities		-	35,927
Total current liabilities		<u>289,576</u>	<u>169,225</u>
Total liabilities		<u>289,576</u>	<u>169,225</u>
Net assets		<u>3,849,120</u>	<u>4,570,939</u>
Beneficiaries' Funds			
Retained surplus	8	3,849,120	4,570,939
Net Beneficiaries' Funds		<u>3,849,120</u>	<u>4,570,939</u>

The above Balance Sheet should be read in conjunction with the accompanying commentary and notes.

Sony Foundation Australia Limited

Statement of Changes in Equity

For the year ended 30 June 2021

	Notes	Retained surplus	Net Beneficiaries' Funds
		\$	\$
Balance at 30 June 2019	8	5,311,875	5,311,875
Change in accounting policy		90,650	90,650
Adjusted balance at 1 July 2019		5,402,525	5,402,525
Deficit for the year, net of tax		(831,586)	(831,586)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		(831,586)	(831,586)
Balance at 30 June 2020		4,570,939	4,570,939
Deficit for the year, net of tax		(721,819)	(721,819)
Other comprehensive loss for the year, net of tax		-	-
Total comprehensive loss for the year		(721,819)	(721,819)
Balance at 30 June 2021	8	3,849,120	3,849,119

The above Statement of Changes in Equity should be read in conjunction with the accompanying commentary and notes.

Sony Foundation Australia Limited

Cash Flow Statement

For the year ended 30 June 2021

	Notes	2021 \$	2020 \$
Cash flows from operating activities			
Cash receipts from donations, grants income and other sources (inclusive of goods and services tax where applicable)		2,045,676	3,626,905
Payments to suppliers (inclusive of goods and services tax)		(611,638)	(1,724,626)
Payments of donations and grants made by the Foundation (exclusive of goods and services tax)		<u>(2,352,141)</u>	<u>(2,798,220)</u>
Net cash outflow from operating activities		(918,103)	(895,941)
Cash flows from investing activities			
Interest received		<u>20,041</u>	<u>66,492</u>
Net cash inflow from investing activities		20,041	66,492
Net decrease in cash held		(898,062)	(829,449)
Cash at the beginning of the financial year		<u>4,356,354</u>	<u>5,185,803</u>
Cash at the end of the financial year	3	<u>3,458,292</u>	<u>4,356,354</u>

The above Cash Flow Statement should be read in conjunction with the accompanying commentary and notes.

Notes to the Financial Statements

For the year ended 30 June 2021

The financial statements were authorised for issue by the directors on 28 October 2021. The directors have the power to amend and reissue the financial statements.

1. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for Sony Foundation Australia Trust and Sony Foundation Children's Camp Charitable Trust as a consolidated entity with the Trustee.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and interpretations issued by the Australian Accounting Standards Board and the *Australian Charities and Not-for-Profit Commission (ACNC) Act 2012*. Sony Foundation Australia Limited is a not-for-profit entity for the purpose of preparing the financial statements. The Foundation is limited by guarantee, incorporated and domiciled in Australia. In the event of the Foundation being wound up, the liability of each member is limited to \$1. The financial report is presented in the Australian currency.

(i) Compliance with Australian Accounting Standards – Simplified Disclosure Requirements

The financial statements of Sony Foundation Australia Limited comply with Australian Accounting Standards – Simplified Disclosures as issued by the Australian Accounting Standards Board (AASB).

(ii) New and amended standards adopted by the Foundation

The Foundation has applied the following standards and amendments for first time in their annual reporting period commencing 1 July 2020. The following standards have been identified as relevant on adoption and in future periods:

AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material [AASB 101 and AASB 108]
AASB 2019-5 Amendments to Australian Accounting Standards – Disclosure of the Effect of New IFRS Standards Not Yet Issued in Australia [AASB 1054]
Conceptual Framework for Financial Reporting and AASB 2019-1 Amendments to Australian Accounting Standards – References to the Conceptual Framework.

All other standards and amendments to standards issued by the AASB that are mandatory for the first time in the reporting period commenced 1 July 2020 are not expected to materially affect the amounts recognised in the prior, current or future periods.

The Foundation has also elected to adopt the following standards and amendments early:

AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities
AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments [AASB 1, AASB 3, AASB 9, AASB 116, AASB 137 and AASB 141]

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(iii) New and amended standards and interpretations not yet adopted by the Foundation

There are no issued standards that are not yet effective that are expected to have a material impact on Foundation in the current or future financial years and on foreseeable future transactions.

(iv) Historical cost convention

These financial statements have been prepared under the historical cost convention.

(v) 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 group's accounting policies. There are no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

(b) Principles of consolidation

(i) Trusts

The Trusts (Sony Foundation Australia Trust and Sony Foundation Children's Camp Charitable Trust) are all entities over which the Trustee (Sony Foundation Australia Limited) has control. The Trustee controls an entity when the Trustee is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. The Trusts are fully consolidated from the date on which control is transferred to the Trustee. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between the Trusts and the Trustees are eliminated. Unrealised loss are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies have been changed where necessary to ensure compliance with policies adopted by the Trusts and the Trustee.

(c) Revenue recognition

(i) Revenue

The *AASB 1058* clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, in conjunction with *AASB 15 Revenue from Contracts with Customers*. Revenue from contracts with customers is recognised using a five step approach to depict the transfer of promised goods or services to customers. It is measured at the transaction price specified in the contract. Revenue also excludes any taxes collected on behalf of third parties.

The following five steps are applied to determine revenue is recognised:

1. Identify the contract with a customer
2. Identify the separate performance obligations in the contract
3. Determine the transaction price
4. Allocate the transaction price to the separate performance obligations in the contract
5. Recognise revenue when (or as) the Foundation satisfies its performance obligations.

Notes to the Financial Statements (continued)

For the year ended 30 June 2021

1. Summary of significant accounting policies (continued)

(c) Revenue recognition (continued)

The Foundation recognises revenue under AASB 1058 or AASB 15 as appropriate. In cases where there is an enforceable contract with a customer with sufficiently specific performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied. Performance obligations that have not been satisfied at the reporting date are recognised as deferred revenue.

Operating revenue comprises amounts received from fundraising events & activities, membership subscriptions and donations. Fundraising revenue is recognised on an accrual basis and is recognised as per below:

Events income

Events sales (such as Wharf4Ward, River4Ward, Brissy4Ward and other events alike), include ticket fees for tables and seats to be purchased for the fundraising charity lunch, where performance obligations are satisfied on the day of the event are recognised as the event occurs (point in time). Charity auction sales include the proceeds from the sale of auction items provided by airlines, hotels and media partners; performance obligations are satisfied when the right to the auction item has been transferred to the purchasing entity.

Corporate Partnership income

Annual membership subscription contracts with sponsoring businesses are recognised where sufficiently specific performance obligations are satisfied (point in time). Amounts where the performance obligation is not sufficiently specific and/or consideration is significantly less than the fair value of the asset, the revenue is recognised immediately under AASB 1058.

Donations

Donations are accounted for on a cash basis, which includes staff and public donations, as well as cash pledges at events held (point in time).

(ii) Volunteer services received

Volunteer services in the form of professional and rental services have been elected by the Foundation for revenue recognition under AASB 1058, only when the services have been provided and the amounts can be measured reliably (point in time).

(iii) Interest revenue

Interest revenue is recognised as it accrues.

The Foundation has applied judgement in determining the period that it expects to satisfy its performance obligations in relation to recognition corporate partnership income, volunteer services, and principal and agent distinction in recognising auction income. The Foundation conduct all fundraising activities as principal rather than agent except where there were agreements in place for the Foundation to pay the relevant auction proceeds for certain auction items donated by those charities. In those cases, the Foundation was acting as a fundraising agent rather than principal.

(d) Income tax

The Foundation is a public benevolent institution. For the current year it has been exempted from the payment of income tax by the Australian Taxation Office. This exemption is to be reviewed annually.

(e) Receivables

All receivables are recognised at the amounts receivable as they are due for settlement no more than 30 days from the date of recognition.

(f) Financial risk management

The activities of the Foundation expose it to minimal financial risks. The main risk is credit risk. The Foundation targets large, reputable companies for sponsorships which the Foundation has a good relationship with.

The Foundation has 2 types of financial assets that are subject to AASB 9's expected credit loss model:

- trade receivables
- receivables from related parties

Trade receivables:

The Foundation applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. The Foundation uses the incumbent process for calculating the loss allowances on trade receivables. Management believes that the incumbent approach to the loss allowance calculation is in accordance with AASB 9 and allows the recognition of the lifetime expected credit losses at every reporting date. As such there has been no change to the impairment of trade receivables due to the implementation of AASB 9.

Receivables from related parties:

Receivables from related parties at unamortised cost are considered to be low risk, and therefore the impairment provision is determined as 12 months expected credit losses. Applying the expected credit risk model resulted in no material recognition of a loss allowance in the current financial period.

Sony Foundation Australia Limited

Notes to the Financial Statements (continued)

For the year ended 30 June 2021

(g) Payables

These amounts represent liabilities for goods and services provided to the Foundation prior to the end of the financial year and which are unpaid. The amounts are unsecured and are paid within 30 days of recognition.

(h) Cash and cash equivalents

For purposes of the statement of cash flows, cash includes deposits at call which are readily convertible to cash on hand and are subject to an insignificant risk of change in value.

(i) Goods and Services Tax (GST)

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

Notes to the Financial Statements (continued)

For the year ended 30 June 2021

	2021 \$	2020 \$
2. Revenue		
<i>From continuing operations:</i>		
Donations	163,076	227,624
Fundraising activities	1,057,460	2,753,234
You Can Campaign	887,860	48,974
	<u>2,108,396</u>	<u>3,029,832</u>
<i>Other revenue:</i>		
Volunteer services	243,039	210,075
Interest	16,746	62,008
	<u>2,368,181</u>	<u>3,301,915</u>
Total revenue		
	<u>2,368,181</u>	<u>3,301,915</u>
3. Cash and cash equivalents assets (current)		
Cash at bank and on hand	863,418	1,253,031
Deposit at call	2,594,874	3,103,323
	<u>3,458,292</u>	<u>4,356,354</u>
Total cash and cash equivalent		
	<u>3,458,292</u>	<u>4,356,354</u>
The weighted average interest rate in 2021 was 0.63% (2020: 1.61%).		
4. Receivables (current)		
Trade receivables	602,575	318,809
Related party receivables	51,140	-
GST receivable	-	38,311
	<u>653,715</u>	<u>357,120</u>
Total current receivables		
	<u>653,715</u>	<u>357,120</u>
(a) Fair value and credit risk		
Due to the short-term nature of these receivables, their carrying amount is assumed to approximate their fair value.		
The credit risk on each class of receivables mentioned above is the carrying amount. There is no security over receivables.		
5. Payables (current)		
Trade payables	-	934
Related party payables	1,900	472
GST payable	23,004	-
	<u>24,904</u>	<u>1,406</u>
Total current payables		
	<u>24,904</u>	<u>1,406</u>

Notes to the Financial Statements (continued)

For the year ended 30 June 2021

	2021 \$	2020 \$
6. Information and declarations to be furnished under the Charitable Fundraising Act 1991		
Gross proceeds from fundraising appeals:		
Wharf 4 Ward	6,550	1,746,090
River 4 Ward	19,900	-
Brissy 4 Ward	97,509	586,798
You Can Campaign	887,860	48,974
Bushfire Appeal	530,022	-
Drought Relief	-	278,954
Other fundraising events	403,479	141,392
Total proceeds	1,945,320	2,802,208
Costs from fundraising appeals:		
Wharf 4 Ward	1,134	338,153
River 4 Ward	-	18,290
Brissy 4 Ward	741	156,266
You Can Campaign	445,818	572,375
John Eales Lunch	101	659
Other fundraising costs/(gain)	7,506	31,871
Total costs	455,300	1,117,614
Net surplus obtained from fundraising appeals	1,490,020	1,684,594
Add/(less) income/(expenses) not related to fundraising and auctions:		
Corporate Partners	103,963	152,008
Donations from Sony companies	24,445	47,016
Public donations	4,824	8,721
City2Surf donations	2,057	12,155
Interest income	16,746	62,008
Volunteer services	243,039	210,075
Children's Camp	(377)	(5,446)
Operational expenses	(11,355)	(18,622)
Other expenses	(243,039)	(210,075)
Total	140,303	257,640
Funds available for distribution	1,630,323	1,942,234
Funds distributed to You Can Centres	(544,000)	(1,400,000)
Funds distributed to other charities	(1,808,142)	(1,373,820)
Deficit for the financial year	(721,819)	(831,586)
Comparison by monetary figures and percentages	%	%
Total cost of fundraising/gross income from fundraising	23.40%	39.88%
Net surplus from fundraising/gross income from fundraising	76.60%	60.12%
Total cost of services provided/total expenditure	23.19%	32.77%
Total cost of services provided/gross income received	30.34%	41.04%

Notes to the Financial Statements (continued)

For the year ended 30 June 2021

	2021 \$	2020 \$
7. Detailed income and expenditure for the financial year		
<i>Income:</i>		
Donations	163,076	227,624
Fundraising activities	1,945,320	2,802,208
Volunteer services	243,039	210,075
Interest income	16,746	62,008
Total income	2,368,181	3,301,915
<i>Expenditure:</i>		
Bank charges	1,115	2,643
Fundraising expenses/Corporate and Charity Partners	483,087	1,125,338
Communication/Promotional material	9,476	15,330
Children's Holidays camps	377	5,646
Sundry expense	764	649
Other expenses	243,039	210,075
Distribution to You Can Centres	544,000	1,400,000
Distribution to other charities	1,808,142	1,373,820
Total expenditure	3,090,000	4,133,501
Operating Deficit	(721,819)	(831,586)
8. Beneficiaries' funds		
Total members funds at the beginning of the financial year	4,570,939	5,311,875
Change in accounting policy	-	90,650
Adjusted balance at the beginning of the financial year	4,570,939	5,402,525
Operating Deficit - current year	(721,819)	(831,586)
Total beneficiaries funds at the end of the financial year	3,849,120	4,570,939
9. Key management personnel disclosures		
No key management personnel of the trustee of the Foundation received, or was due to receive, remuneration, directly or indirectly, from the Foundation in 2021 (2020: Nil).		
10. Remuneration of auditors		
The audit of the Foundation is carried out on a pro-bono basis as agreed between the parties.		
11. Related parties		
The following directors held office as a director of the Foundation during the year ended 30 June 2021.		
C O'Connor (Chairman)	M Pennessy	
D Handlin	D Eales	
Y Otsuki	G Fialho	
S Basil-Jones	D Rosengren	
M Pennessy		
No remuneration was received or receivable by the directors of the Foundation as disclosed in Note 9 to the financial statements.		
The following companies are related parties of the Foundation:		
Sony ATV Music Publishing Australia		
Sony Australia Ltd		
Sony DADC Australia P/L		
Sony Europe B.V.		
Sony Interactive Entertainment Australia		
Sony Music Entertainment Australia Pty Ltd		
Sony Pictures Releasing Pty Ltd		
Sony Pictures Television Pty Ltd		
Universal Sony Pictures Home Entertainment		

Notes to the Financial Statements (continued)

For the year ended 30 June 2021

11. Related parties (continued)

a) Transactions with other related parties

The following transactions occurred with related parties:

	2021	2020
<i>Revenue</i>	\$	\$
Donations	24,687	15,401
Fundraising activities	694,505	1,051,347
Others	-	-
	<u>719,192</u>	<u>1,066,748</u>
<i>Expenditure</i>		
Fundraising expenses/Corporate and Charity Partners	399,050	714,713
Administrative expenses	4,083	2,480
	<u>403,133</u>	<u>717,193</u>

b) Outstanding balances arising from sales/purchases of goods and services

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

	2021	2020
<i>Current receivable</i>	\$	\$
Other related parties	51,140	-
<i>Current payables (Reimbursement)</i>		
Other related parties	1,900	472

c) Terms and conditions

All transactions with related parties were made on normal commercial terms and conditions and at market rates.

12. Matters subsequent to the end of the financial year

Except as disclosed in note 15, no matters or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect:

- (a) the Foundation's operations in future financial years, or
- (b) the results of those operations in future financial years, or
- (c) the Foundation's state of affairs in future financial years.

The trustees are not aware of any other matter or circumstance not otherwise dealt with in the financial statements that has significantly or may significantly affect the operations of the Foundations in subsequent financial years.

13. Segment information

The principal activity of the Foundations are to act as a charitable institution within Australia.

14. Commitments for expenditure

	2021	2020
	\$	\$
Within one year	1,822,400	1,722,400
Later than one year but not later than five years	60,700	186,733
Later than five years	-	-
	<u>1,883,100</u>	<u>1,909,133</u>

The above balance comprises of contractual donation commitments not recognised as a liability as at 30 June 2021. The majority of the commitments due within one year relate to the You Can Centre in Sydney and the You Can Stay program in operation around Australia.

15. COVID-19 impact

The COVID-19 outbreak was declared a pandemic by the World Health Organisation in March 2020. The outbreak and the response of the Governments in dealing with the pandemic is impacting general activity levels within the community and the economy. Following the COVID-19 outbreak, the Foundation continued to deliver projects and programs to support vulnerable young Australians and also work to mitigate negative impact by developing new fundraising opportunities. There has however, been a substantial impact on our event income stream given restrictions placed on events and large gatherings for the year ended 30 June 2021.

Subsequent to the reporting period, there has not been any significant changes with regard to charitable programs and projects, and Sony Foundation has been able to ensure that all prior funding commitments have been met. As circumstances remain unprecedented and restrictions on events and large gatherings remain a restraint on fundraising, Sony Foundation continues to pay close attention to potential implications of the pandemic and the impact on operations, which may include disruptions to future fundraising, the availability of employees and commitments to future projects.

Sony Foundation Australia Limited

Directors' (Trustees') Declaration

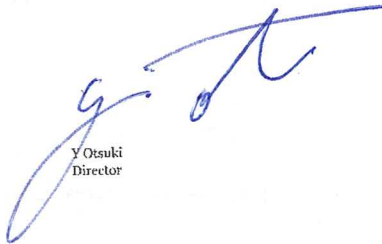
In the trustees' opinion:

- (a) the financial statements and notes set out on pages 7 to 17 are in accordance with the *Australian Charities and Not-for-Profit Commission (ACNC) Act 2012*, including:
 - (i) complying with Accounting Standards, the Australian Charities and Not-for-Profit Commission (ACNC) Act 2012 and other mandatory professional reporting requirements, and
 - (ii) giving a true and fair view of the Foundations' financial position as at 30 June 2021 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 provisions of the *NSW Charitable Fundraising Act 1991* and the regulations under that Act and the conditions attached to the fundraising authority have been complied with for the year ended 30 June 2021, and
- (d) the provisions of the *WA Charitable Collections Act 1946* and the regulations under that Act and the conditions attached to the fundraising authority have been complied with for the year ended 30 June 2021.

This declaration is made in accordance with a resolution of the directors.



S Basil-Lopes
Director



Y Otsuki
Director

28 October 2021
Sydney



Independent auditor's report

To the members of Sony Foundation Australia Limited

Our qualified opinion

In our opinion, except for the possible effects of the matter described in the *Basis for qualified opinion* section of our report, the accompanying financial report of Sony Foundation Australia Limited (the Company) and its controlled entities (together the Foundations) is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, including:

- (a) giving a true and fair view of the Foundations' financial position as at 30 June 2021 and of its financial performance for the year then ended
- (b) complying with Australian Accounting Standards - Simplified Disclosure Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

What we have audited

The Foundations financial report comprises:

- the balance sheet as at 30 June 2021
- the statement of comprehensive income for the year then ended
- the statement of changes in equity for the year then ended
- the cash flow statement for the year then ended
- the notes to the financial statements, which include significant accounting policies and other explanatory information
- the directors' (trustees') declaration.

Basis for qualified opinion

Cash from donations and other fundraising activities are a significant source of revenue for the Foundations. The directors have determined that it is impracticable to establish control over the collection of revenue from these sources prior to entry into its financial records. Accordingly, as the evidence available to us regarding revenue from cash donations and other fundraising activities was limited, our audit procedures with respect to revenue from these sources had to be restricted to the amounts recorded in the Foundations' financial records. As a result, we are unable to express an opinion as to whether revenue from cash donations and other fundraising activities is complete.

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

PricewaterhouseCoopers, ABN 52 780 433 757

One International Towers Sydney, Watermans Quay, Barangaroo, GPO BOX 2650, SYDNEY NSW 2001
T: +61 2 8266 0000, F: +61 2 8266 9999, www.pwc.com.au

Level 11, 1PSQ, 169 Macquarie Street, Parramatta NSW 2150, PO Box 1155 Parramatta NSW 2124
T: +61 2 9659 2476, F: +61 2 8266 9999, www.pwc.com.au

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Independence

We are independent of the Foundations 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.

Other information

The directors of the Company (the directors), being also trustees of the controlled entities are responsible for the other information. The other information comprises the information included in the Directors' (Trustees') Report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors (trustees) 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 - Simplified Disclosure Standards and the *Australian Charities and Not-for-profits Commission (ACNC) 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 ability of the Foundations 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 Foundations or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.



A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:
http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf. This description forms part of our auditor's report.

Report on the Requirements of the NSW Charitable Fundraising Act 1991 and the NSW Charitable Fundraising Regulations 2015

We have audited the financial report of Sony Foundation Australia Limited and its controlled entities (together the Foundations) as required by Section 24(2) of the NSW Charitable Fundraising Act 1991 (NSW Act). The directors of the Company (trustees) are responsible for the preparation and presentation of the financial report in accordance with the NSW Charitable Fundraising Act 1991 and NSW Charitable Fundraising Regulations 2015 (NSW Regulations). Our responsibility is to express an opinion on the financial report based on our audit.

Auditor's Opinion

In our opinion, in all material respects:

- (a) The financial report and associated records of Sony Foundation Australia Limited have been properly kept, during the financial year ended 30 June 2021, in accordance with:
 - (i) Sections 20(1), 22(1-2) and 24(1-3) of the *NSW Charitable Fundraising Act 1991*; and
 - (ii) Sections 10 and 11 of the *NSW Charitable Fundraising Regulations 2015*.
- (b) Money received as a result of fundraising appeal activities conducted by the Foundations during the financial year ended 30 June 2021 has been properly accounted for and applied in accordance with the above mentioned NSW Act and NSW Regulations.

Priscilla Arentowse-Locher
PricewaterhouseCoopers

Jason Hayes
Partner

Sydney
28 October 2021