

EDMUND RICE FOUNDATION (AUSTRALIA)

ABN 28 153 110 055



Annual Financial Report

For the year ended 31 December 2012

Edmund Rice Foundation (Australia)
ABN 28 153 110 055

Annual Financial Report
31 December 2012

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EDMUND RICE FOUNDATION (AUSTRALIA)

ABN 28 153 110 055

Directors' Report For the year ended 31 December 2012

The Directors in office throughout the year or since the end of the year are:

<u>Name</u>	<u>Qualification & Experience</u>
Anthony Leonard Coates (appointed Director 05/12/2012)	B.Build (QS) Managing Director, Aligned Living Concepts Pty Ltd
Michael Fernon (Appointed Director 08/09/2011)	LL.B(Hons), B.A. Director, Clarendon Lawyers
Fleur Hannen (Appointed Director 23/11/2011)	MBA, BSc Nursing, CM, GAICD, JP
Peter John Harney cfc (Appointed Director 08/09/2011) (Resigned as Director 31/01/12)	Dip Teach, BEd, MEdSt, PhD, GAICD Director, Christian Brothers Vic Property Ltd. Director, Trustees of the Christian Brothers
Peter Hogan (Appointed Director 08/09/2011)	BBus, ACA Director, Carbon Energy Limited Director, Fabchem China Limited Chairman, St Bernard's College Essendon Vice President, Villa Maria Society Retired Partner, PricewaterhouseCoopers
Paul Dean McGlaughlin cfc (Appointed Director 08/09/2011)	BA (Honours), BEd (Honours), MSc (Chemistry), MMaSc (Pure Mathematics), Dip Teach, Grad Dip Educational Leadership. Director, Christian Brothers Vic Property Ltd. Director, Trustees of the Christian Brothers
Christopher John Meehl cfc (Appointed Director 23/11/2011)	Dip Teach (SVC-ICE-CBTC Melbourne), B. Arts (LaTrobe), Grad Dip R.E. (YTU), B.Theol (MCD), M. Ed. (ACU) Director, Christian Brothers Vic Property Ltd. Director, Trustees of the Christian Brothers
Peter Anthony Murphy (Appointed Director 05/12/2012)	BCom, FCA Chairman St Joseph's College Gregory Terrace Cardinals Retired Chair, Mount Olivet Foundation
John Ralph (Appointed Director 08/09/2011) (Resigned as Director 05/12/12)	AC Former CEO, CRA Ltd Former Chairman, Commonwealth Australia Bank Former Deputy Chairman, Telstra
Ron Ure (Appointed Director 08/09/2011)	BCom Retired Board Member, St Joseph's Nudgee College and Nudgee Junior College

The Directors commenced office during the financial year to the date of this report as stated.

Your directors present their report on the Company for the financial year ended 31 December 2012.

EDMUND RICE FOUNDATION (AUSTRALIA)

ABN 28 153 110 055

**Directors' Report
For the year ended 31 December 2012**

Principal activity

The Company was incorporated on 8 September 2011 to act as trustee of a Relief Fund, a Charitable Fund or an Ancillary Fund and as such trustee and also in its own right to raise and collect donations and gifts and distribute funds to

- (a) Community development programs in Developing Countries by means of a comprehensive economic, social, cultural and political process projects of constant improvement which aim at the wellbeing of peoples resident in Developing Countries with the peoples of Developing Countries freely and meaningfully participating in such projects with there being a fair distribution of the benefits that result from the projects.
- (b) to assist and promote charitable works within Australia in particular for the relief of poverty, distress, sickness and helplessness of people in necessitous circumstances and the advancement of education for Australian youth who suffer underprivilege, disability, remoteness and other disadvantage or any charitable work conducted managed or promoted by the Religious Institute.

Results of operations

The surplus of the Company for the financial year 1 January to 31 December 2012 was \$526,204 (2011 Surplus: \$468,936).

The Company is exempt from Income Tax under subdivision 50-B of the Income Tax Assessment Act 1997.

The Company is precluded from distributing its surpluses and property as dividends to its members.

State of affairs

In the opinion of the Directors, there were no significant changes in the state of affairs of the Company during the financial year not otherwise disclosed in this report or the accounts.

Events subsequent to balance date

At the finalisation of these accounts there were no known material events subsequent to balance date.

Environmental issues

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

Proceedings on behalf of Company

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

Likely developments

The Directors intend to continue the expansion of the Company's fundraising activities within Australia and to search for new opportunities to support community development projects and improving the wellbeing of people resident in developing nations and to relieve poverty, distress, sickness and helplessness of people in necessitous circumstances in Australia.

Other than matters discussed in the annual report there are no likely developments.

EDMUND RICE FOUNDATION (AUSTRALIA)

ABN 28 153 110 055

**Directors' Report
For the year ended 31 December 2012**

Directors' benefits

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive a benefit, other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the accounts, or the fixed salary of a full time employee of the Company or a related corporation, by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a firm in which the director has a substantial financial interest.

Directors' meetings

The number of directors' meetings and number of meetings attended by each of the directors of the Company during the financial year are:

	Number Eligible to Attend	Number Attended
Directors - resigned 31/01/2012		
Peter John Harney cfc	0	0
Directors - resigned 05/12/2012		
John Ralph	17	14
Directors - appointed 08/09/2011		
Michael Fernon	17	16
Peter Hogan	15	15
Paul Dean McGlaughlin cfc	17	17
Ron Ure	17	14
Directors - appointed 23/11/2011		
Fleur Hannen	17	6
Christopher John Meehl cfc	17	17
Directors - appointed 05/12/2012		
Anthony Coates	1	1
Peter Murphy	1	1

Indemnifying Directors, Officers and Auditor

During the financial year the Company has maintained insurance policies to insure each of the directors and officers against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director or officer of the Company, other than conduct involving a criminal or willful act or omission.

Auditor's Independence

The Auditor's independence declaration for the year ended 31 December, 2012 has been received and can be found following on page 21 of the financial report.

Signed in accordance with a resolution of Board of Directors:

 Paul Dean McGlaughlin Directors	 Chris Meehl
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Dated at Melbourne this 23rd day of March 2013

EDMUND RICE FOUNDATION (AUSTRALIA)

ABN 20 067 072 726

**Statement of Income and Expenditure
For the year ended 31 December 2012**

	Note	2012 \$	2011 \$
Revenues	2	695,549	470,436
		<u>695,549</u>	<u>470,436</u>
Expenses	2		
Disbursements to Domestic Projects		0	0
Disbursements to Overseas Projects		0	0
Costs of Fundraising		74,995	0
Employee Benefits		68,346	0
Administration Expenses		20,441	0
Community Education		8,066	0
Project Management		2,035	0
Auditor's Remuneration	3	6,250	1,500
Depreciation & Right to Use Fixed Assets		0	0
		<u>180,134</u>	<u>1,500</u>
Net Surplus/(Deficit) for the period		<u>515,415</u>	<u>468,936</u>

The accompanying notes on pages 9 to 16
form part of these financial statements

Edmund Rice Foundation (Australia)
ABN 20 067 072 726

Statement of Comprehensive Income
for the year ended 31 December 2012

	Note	2012	2011
<i>Surplus/(Shortfall) of Revenue over Expenses</i>		515,415	468,936
Other Comprehensive Income for the year			
Net gain(loss) on revaluation of financial assets		10,789	0
<i>Total Other Comprehensive Income for the year</i>		<u>10,789</u>	<u>0</u>
<i>Total Comprehensive Income for the year</i>		<u>526,204</u>	<u>468,936</u>

EDMUND RICE FOUNDATION (AUSTRALIA)

ABN 28 153 110 055

**Statement of Changes in Equity
For the year ended 31 December 2012**

	Note	Accumulated Funds Available for Future Use	Bequest Reserve	Specified Purpose Reserves - Domestic	Specified Purpose Reserves - Overseas Aid	Total
Balance 8 September 2011						
Surplus attributable to Edmund Rice Foundation		0	0	0	0	0
		468,936	0	0	0	468,936
Transfers to Reserves	4					
Specified Purpose Reserves		(423,392)	0	423,392	0	0
Balance 31 December 2011						
Surplus attributable to Edmund Rice Foundation (Australia)		45,544	0	423,392	0	468,936
Other Comprehensive Income for the year		515,415				515,415
Transfers to Reserves		10,789				10,789
Transfer from Christian Brothers Foundation for Charitable Works		1,186,381	0			1,186,381
Bequest Reserve	12	(869,976)	869,976			0
Specified Purpose Reserves	12	(85,000)		85,000		0
Distributions from Reserves				(420,000)	0	(420,000)
Balance 31 December 2012						
		803,153	869,976	88,392	0	1,761,521

The accompanying notes on pages 9 to 16
form part of these financial statements

EDMUND RICE FOUNDATION (AUSTRALIA)

ABN 20 067 072 726

Statement of Financial Position
As at 31 December 2012

	Note	2012 \$	2011 \$
Current assets			
Cash and cash equivalents	5	959,112	0
Trade and other receivables	6	569,470	470,436
Other	7	26,535	0
Total current assets		1,555,117	470,436
Non-current assets			
Investments	8	877,733	0
Plant & equipment		0	0
Total non-current assets		877,733	0
Total assets		2,432,850	470,436
Current liabilities			
Trade and other payables	9	87,895	1,500
Provisions	10	20,102	0
Funds Held on Behalf of Trusts	11	563,333	0
Total current liabilities		671,329	1,500
Total liabilities		671,329	1,500
Net assets		1,761,521	468,936
Equity			
Retained surplus		803,153	468,936
Reserves	12	958,368	0
Total equity		1,761,521	468,936

The accompanying notes on pages 9 to 16
form part of these financial statements

EDMUND RICE FOUNDATION (AUSTRALIA)

ABN 20 067 072 726

Statement of Cash Flows
For the year ended 31 December 2012

	Note	2012 \$	2011 \$
Cash flows from operating activities			
Cash receipts in the course of operations		529,754	0
Cash payments in the course of operations		(59,373)	0
Interest received		4,274	0
Investment Income		0	0
Net cash provided by/(used in) operating activities	(ii)	474,655	0
Cash flows from investing activities			
Net cash (used in) investing activities		0	0
Cash flows from financing activities			
Distributions from Reserves		(420,000)	0
Distribution from Christian Brothers Foundation for Charitable Works		414,458	
Funds held for Overseas Aid Fund		490,000	0
Net cash (used in) financing activities		484,458	0
Net increase/(decrease) in cash held		959,112	0
Cash and cash equivalents at the beginning of the year		0	0
Cash and cash equivalents at end of the year	(i)	959,112	0

EDMUND RICE FOUNDATION (AUSTRALIA)
ABN 28 153 110 055

Notes to the Financial Statements
For the year ended 31 December 2012

1 Statement of Accounting Policies

This financial report is a general purpose financial report that has been prepared in accordance with the Australian equivalents of the International Financial Reporting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board.

The following is a summary of the material accounting policies adopted by Edmundrice Foundation in the preparation of the financial report. The accounting policies have been consistently applied unless otherwise stated.

The report was authorised by the Board of Directors on 23th day of March 2013.

Basis of Accounting

This financial report includes all tangible and intangible assets under the control of the entity. The financial report also recognises all liabilities incurred by the entity.

In preparing this annual financial report the historical cost convention has been applied and therefore, does not take into account changing money values or, except where specifically stated, the current value of non-monetary assets. Cost is based on the fair values of the consideration given in exchange for assets.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with bank and other short-term highly liquid investments with original maturities of 12 months or less.

Investments

Investments are recognised at cost and are marked to market at the end of each reporting period.

Plant and Equipment

All plant and equipment is stated at cost, representing the fair value of the consideration given in exchange, less accumulated depreciation and any impairment amounts.

Depreciation is calculated on a straight line basis over the estimated useful life of all plant and equipment, as follows:

- Motor vehicles - over 6 years
- Computer equipment - over 3 years
- Office equipment - over 5 years

Purchases of items for \$2,000 or less are expensed in the year of purchase. Once an items written down value reaches \$2,000 it is fully depreciated.

Impairment

At each reporting date the Directors assess whether there is any indication that an asset may be impaired. Where an indication of impairment exists, the Directors make a formal estimate of the recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and its carrying value is written down to its recoverable amount.

Trade and Other Receivables

Trade and other receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified as uncollectible.

EDMUND RICE FOUNDATION (AUSTRALIA)

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**Notes to the Financial Statements
For the year ended 31 December 2012**

Revenue

Grant revenue is recognised on receipt.

Interest revenue is recognised as it accrues.

Donation revenue is recognised on receipt by the entity or its agents.

Financial Instruments***Recognition and initial measurement***

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through the Statement of Comprehensive Income' in which case transaction costs are expensed to the Statement of Comprehensive Income immediately.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of consideration paid, including the transfer of non cash assets or liabilities assumed, is recognised in the Statement of Comprehensive Income.

Classification and subsequent measurement

Financial instruments are classified and measured as set out below:

(i) Financial assets are classified at fair value through Statement of Comprehensive Income.

Financial assets are classified at fair value through the Statement of Comprehensive Income when they are held for trading for the purpose of short term profit taking, where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key personnel on a fair value basis in accordance with a documented risk management or investment strategy. Realised and unrealised gains and losses arising from changes in fair value are included in the Statement of Comprehensive Income in the period in which they arise.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

EDMUND RICE FOUNDATION (AUSTRALIA)

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**Notes to the Financial Statements
For the year ended 31 December 2012****Employee Benefits**

Provision has been made for employee benefits, based on current statutory and/or contractual entitlements whichever is the greater for all staff employed by the entity. All provisions are measured at their nominal amount with those expected to be settled within 12 months being measured using the remuneration rates, including on-costs, expected to apply at time of settlement, while those expected to be settled beyond 12 months, including long service leave, which is provided from the earliest date upon which each employee may become entitled, being measured at the remuneration rates, including on-costs, applying at balance date. In determining these provisions it is assumed that at the date of this report future increases in remuneration rates and the relevant discount factors which would be required to be applied to amounts expected to be settled beyond 12 months would be approximately equal with no material impact arising from any difference that may exist between the remuneration rate and the discount factor.

Income Tax

The entity has been constituted to provide services as a Public Benevolent Institution. Its activities are exempt from income tax under section 50-B of the Income Tax Assessment Act 1997. The entity is also exempt from capital gains tax.

Other taxes

Goods and Services Tax (GST)

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

Where GST incurred on a purchase of goods or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as an expense item as applicable: and

Receivables and payables are stated with the amount of GST included.

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

Trade and Other Payables

Trade and other payables are recognised when the entity becomes obliged to make future payments.

Reserves

Reserves represent funds held for the specific purpose for which they were raised or in the case of general donations, for the commitments made to third parties engaged in aid or development activities where memorandums of understanding are in place. It has been determined by the Trustee that these reserves can only be drawn against for these specified purposes or commitments.

Accumulated Funds Available for Future Use

Funds available for future use represent accumulated surpluses available to fund future projects yet to be determined by the Trustee.

Comparatives

Where necessary, comparative information has been reclassified in order to comply with the current year's presentation of financial information.

Rounding Off

The amounts within the financial statements and the accompanying notes have been rounded off to the nearest dollar.

EDMUND RICE FOUNDATION (AUSTRALIA)
ABN 28 153 110 055

Notes to the Financial Statements
For the year ended 31 December 2012

	Note	2012 \$	2011 \$						
2 Revenue and expenses									
i) Operating revenue									
Grants received - Oceania Province		40,114	0						
Grants received - Other		0	0						
Donations		481,453	470,436						
Bequests		0	0						
Fundraising		156,338	0						
Interest		7,067	0						
Income from Bequest Investments		10,578	0						
Other income		0	0						
Total Revenue		<u>695,549</u>	<u>470,436</u>						
ii) Other Comprehensive Income									
Unrealised Gain on Investment		<u>10,789</u>	<u>0</u>						
iii) Expenses									
Disbursements to Domestic Projects		0							
Disbursements to Overseas Projects		0							
Costs of Fundraising		74,995							
Employee Benefits	2 iv)	68,346							
Administration Expenses		20,439							
Community Education		8,066							
Project Management		2,035							
Auditor's Remuneration		6,250							
Depreciation & Right to Use Fixed Assets		0							
		<u>180,132</u>	<u>0</u>						
iv) Employee expenses									
Wages and salaries		63,619	0						
Superannuation costs		4,330	0						
Workers compensation		398	0						
		<u>68,346</u>	<u>0</u>						
3 Auditors remuneration									
Audit Services - prior year		0	1,500						
- current year		6,250	0						
		<u>6,250</u>	<u>1,500</u>						
4 Monetary Donations & Gifts and Disbursements to Projects									
	2011	Funds Available at beginning of financial year	Funds Received during financial year	Funds Disbursed during financial year	Transfers between Funds	Share of Fund Raising Profits	Interest Received	Administration Fee	Funds Available at end of financial year
i) Edmund Rice Foundation (Australia) Fund-Raising									
General		470,436						(47,044)	423,392
		<u>470,436</u>	0	0	0	0	0	(47,044)	<u>423,392</u>
	2012	Funds Available at beginning of financial year	Funds Received during financial year	Funds Disbursed during financial year	Transfers between Funds	Share of Fund Raising Profits	Interest Received	Administration Fee	Funds Available at end of financial year
Edmund Rice Foundation (Australia) Fund-Raising									
General		423,392		(420,000)					3,392
Edmund Rice Camps - Brisbane						85,000			85,000
		<u>423,392</u>	0	(420,000)	0	85,000	0	0	<u>88,392</u>

EDMUND RICE FOUNDATION (AUSTRALIA)
ABN 28 153 110 055

Notes to the Financial Statements
For the year ended 31 December 2012

	Note	2012 \$	2011 \$
5 Cash and Cash Equivalents			
Cash at Bank		19,204	0
Short-term Bank Deposits		939,909	0
		959,112	0
The effective interest rate on short term bank deposits was 3.9%; these deposits have been available at call.			
6 Trade and other receivables			
Current			
Trade Debtors		360,942	470,436
Sundry Debtors		208,528	0
		569,470	470,436
7 Other assets			
Current			
Prepayments		24,515	0
GST Rebate		2,019	0
Accrued income		0	0
		26,535	0
8 Investments			
Christian Brothers Managed Fund		677,733	
CBA Term Deposits		200,000	
		877,733	0
9 Trade and other payables			
Trade Creditors		26,482	0
Sundry Creditors		48,813	1,500
Unearned Income		12,600	0
		87,895	1,500
10 Provisions			
Current			
Annual Leave		20,102	0
Long Service Leave		0	0
		20,102	0
Number of employees at end of year (full time equivalent)		0	0
11 Funds Held on Behalf of Trusts			
Edmund Rice Overseas Aid Fund		563,333	0
		563,333	0
12 Reserves			
The Bequest Reserve was put in place to provide a capital base from which the annual income derived be used to fund expenditure.			
Bequest			
Balance as at 1 January		0	0
Additions		859,187	0
Unrealised Gains/(Losses)		10,789	0
		869,976	0
Distribution to EROAF Operating Account		0	0
Balance as at 31st December		869,976	0
The Specified purpose reserve records donations and contributions made to Edmund Rice Overseas Aid Fund where the contributor or donor has designated the funds towards a specific appeal or purpose.			

EDMUND RICE FOUNDATION (AUSTRALIA)
ABN 28 153 110 055

Notes to the Financial Statements
For the year ended 31 December 2012

	Note	2012 \$	2011 \$
12 Reserves (cont.d)			
Specified Purpose			
<i>Domestic</i>			
Edmund Rice Camps Brisbane		85,000	
Unspecified		3,392	
		88,392	0
Total Reserves		958,368	0

13 Transfer of Net Assets from Christian Brothers Foundation for Charitable Works

On receipt of the Australian Taxation Office approval for amendments to the governing rules of Edmund Rice Foundation on 26 September 2012, Christian Brothers Foundation for Charitable Works ceased operations. The net assets of that entity, \$1,186,381 were transferred to Edmund Rice Foundation (Australia) and have been recognised as an increase in the assets, liabilities, reserves and retained equity of Edmund Rice Foundation (Australia).

14 Liabilities of members

The Company is limited by guarantee. If the Company is wound up, the Articles of Association state that each member is required to contribute a maximum of \$100 each towards meeting any outstanding obligations of the Company. As at 31 December 2012 the number of members was 45.

15 Directors remuneration

No income was due or receivable, for the financial year, by any Director of the Company, directly or indirectly, from the Company or from any related body corporate.

16 Related parties

(i) Amounts received from related parties

Contributions by Schools	479,658	470,436
Contribution by Christian Brothers Foundation for Charitable Works	1,186,382	
Contribution by Trustees of the Christian Brothers	40,114	
Contribution by Christian Brothers Communities	0	
	1,706,154	470,436

(ii) Amounts paid to related parties

Contribution paid to Trustee re operational costs and salaries	(120,053)	0
Disbursement of Funds to Edmund Rice ministries in Australia which are Deductible Gift Recipients	(420,000)	0
	(540,053)	0

Trustees of the Christian Brothers provided accounting and other administrative services to the Company. No fees were paid or are payable for these services.

Trustees of the Christian Brothers has met all the establishment costs of the Company to date.

17 Financial Instruments

Edmund Rice Foundation's financial instruments consist mainly of deposits with banks, trade and other receivables, trade and other payables and long term investments.

The totals for each category of financial instrument, measured in accordance with AASB 139, are as follows:

Financial Assets

Cash and cash equivalents	5	959,112	0
Trade and other receivables	6	569,470	0
Financial Assets at fair value through profit and loss		0	
		1,528,583	0

Financial Liabilities

Trade and other payables	8	87,895	1,500
		87,895	1,500

EDMUND RICE FOUNDATION (AUSTRALIA)
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Notes to the Financial Statements
For the year ended 31 December 2012

	Note	2012 \$	2011 \$
17 Financial Instruments (cont.d)			
<i>Financial Risk Management Policies</i>			
Edmund Rice Foundation's Trustee analyses its exposure to financial risks and			
<i>Specific Financial Risk Exposures and Management</i>			
Edmund Rice Foundation is not exposed to any material financial risk.			
(a) <i>Interest Rate Risk</i>			
At 31 December 2012 Edmund Rice Foundation did not hold any material			
(b) <i>Liquidity Risk</i>			
At 31 December 2012 Edmund Rice Foundation did not hold illiquid assets and			
(c) <i>Credit Risk</i>			
Edmund Rice Foundation does not have any material credit risk exposure to any single receivable.			
(d) <i>Foreign Currency Risk</i>			
Edmund Rice Foundation is not exposed to fluctuations in foreign currencies.			
(e) <i>Price Risk</i>			
Edmund Rice Foundation is not exposed to commodity price risk.			
18 Capital Expenditure Commitments			
There are no capital expenditure commitments at balance date.			
19 Events subsequent to Balance Date			
No matters or circumstances have arisen since the end of the year which significantly affected or may significantly affect the operations of Edmund Rice Foundation, the results of those operations, or the state of affairs of Edmund Rice Foundation in future years.			
20 Contingent liabilities			
There are no contingent liabilities to be disclosed in this report.			
21 Commitments for capital expenditure			
There are no commitments for capital expenditure to be disclosed in this report.			
22 Events subsequent to reporting date			
The Company has commenced its fundraising activities			
No other matters or circumstances have arisen since the end of the financial year, which have or may significantly affect:-			
(i) the operations of the Company;			
(ii) the results of those operations; or			
(iii) the state of affairs of the Company, in subsequent financial years.			
23 Right of Indemnity			
The Company in its capacity as Trustee of Edmund Rice Foundation (a public ancillary fund) and Edmund Rice Overseas Aid Fund, has a right of indemnity against all liabilities incurred while acting in that capacity.			

EDMUND RICE FOUNDATION (AUSTRALIA)

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**Notes to the Financial Statements
For the year ended 31 December 2012**

24 Organisation details

- (i) Registered office
126 The Avenue
Parkville Vic 3052

- (ii) Principal place of business
126 The Avenue
Parkville Vic 3052

- (iii) Legal form
Public Company Limited by Guarantee

- (iv) Nature of operations
The Company exists to raise and collect donations and gifts and distribute funds to
 - (a) Community development programs in Developing Countries by means of a comprehensive economic, social, cultural and political process projects of constant improvement which aim at the wellbeing of peoples resident in Developing Countries with the peoples of Developing Countries freely and meaningfully participating in such projects with there being a fair distribution of the benefits that result from the projects.

 - (b) to assist and promote charitable works within Australia in particular for the relief of poverty, distress, sickness and helplessness of people in necessitous circumstances and the advancement of education for Australian youth who suffer underprivilege, disability, remoteness and other disadvantage or any charitable work conducted managed or promoted by the Religious Institute.

25 Economic Dependency

Trustees of the Christian Brothers provides ongoing financial, administrative and other support to the Company.

EDMUND RICE FOUNDATION (AUSTRALIA)

ABN 28 153 110 055

**For the year ended 31 December 2012
Directors' Declaration**

The directors of the Company declare that:-

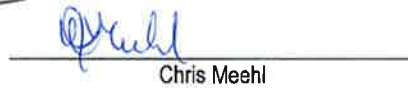
1. The financial statements and notes, as set out on pages 4 to 16
 - a) comply with accounting standards as detailed in Note 1 to the financial statements and the Corporations Act 2001; and
 - b) give a true and fair view of the Company's financial position as at 31 December 2012 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.

2. In the directors' opinion there are reasonable grounds to believe that the Company 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 Board of Directors and is signed for and on behalf of the Directors by:

Signed in accordance with a resolution of Board of Directors:


Paul Dean McGlaughlin


Chris Meehl

Directors

Dated at Melbourne this 23rd day of March 2013

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF
EDMUND RICE FOUNDATION (AUSTRALIA)
A.C.N. 073 889 586**



**Chaundy
& Henry**

CHARTERED ACCOUNTANTS
A.B.N. 50 175 251 428

P. W. Selkrig F.C.A.
D. A. Manton F.C.A.

Scope

The financial report and directors' responsibility

We have audited the financial report, being a special purpose financial report of Edmund Rice Foundation (Australia) for the year ended 31 December 2012, as set out on pages 1-16 including the Directors' Declaration. The company's directors are responsible for the financial report and have determined that the accounting policies used are consistent with the financial reporting requirements of Edmund Rice Foundation (Australia) and are appropriate to meet the needs of the members.

Audit approach

We conducted an independent audit of the financial report in order to express an opinion on it to the members of the company. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

The financial report has been prepared for distribution to members. We disclaim any assumption of responsibility for any reliance on this report or on the financial statements to which it relates to any person other than the members, or for any purpose other than that for which it was prepared. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We have undertaken these procedures to form an opinion whether, in all material respect, the financial report is presented fairly in accordance with accounting policies described in Note 1, so as to present a view which is consistent with our understanding of the company's financial position, and performance as represented by the results of its operations. These polices do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

We performed procedures to assess whether the substance of business transactions was accurately reflected in the financial report. These and our other procedures did not include consideration or judgement of the appropriateness or reasonableness of the business plans or strategies adopted by the directors and management of the company.

Independence

We are independent of the company, and have met the independence requirements of Australian professional ethical pronouncements and the *Corporations Act 2001*.

Audit Opinion

In our opinion, the financial report of Edmund Rice Foundation (Australia) is in accordance with:

- (a) the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position of Edmund Rice Foundation (Australia) at 31st December 2012 and of its performance for the year ended on that date; and
 - (ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and
- (b) other mandatory financial reporting requirements in Australia.

Emphasis of Matter

We draw attention to Note 1 to the financial report which describes the revenue recognition policy of Edmund Rice Foundation (Australia), including the limitations that exist in relation to the recording of receipts from donations and fund raising revenue. Revenue from this source represents a significant proportion of the Edmund Rice Foundation (Australia)'s revenue. Our opinion is unmodified in respect of this matter.

Dated at Abbotsford this 25th day of March 2013

CHAUNDY & HENRY
CHARTERED ACCOUNTANTS



D. A. MANTON
PARTNER





**Chaundy
& Henry**

CHARTERED ACCOUNTANTS
A.B.N. 50 175 251 428

P. W. Selkrig F.C.A.
D. A. Manton F.C.A.

The Directors
Edmund Rice Foundation (Australia)
Treacy Centre
126 The Avenue
PARKVILLE VIC 3052

**AUDITORS INDEPENDENCE DECLARATION
TO THE DIRECTORS OF EDMUND RICE FOUNDATION (AUSTRALIA)**

As Auditor of Edmund Rice Foundation (Australia) for the year ended 31st December 2012, I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

D A MANTON
PARTNER

CHAUNDY & HENRY
CHARTERED ACCOUNTANTS

Dated at Abbotsford this 21st day of March 2013