



EDMUND RICE FOUNDATION (AUSTRALIA)

ABN 28 153 110 055

**Concise Consolidated Annual Financial Report
For the year ended 31 December 2021**

EDMUND RICE FOUNDATION (AUSTRALIA)

ABN 28 153 110 055

**Concise Consolidated Annual Financial Report
For the year ended 31 December 2021**

Where the money came from and where it went

Total revenue decreased by \$437,454 or 12.7% in 2021 as compared to 2020 whilst the surplus for the year was \$150,948 compared to a surplus in the prior year of \$835,188. The key factors of the result were:

- ◆ Government COVID 19 support \$27,900
- ◆ No bequests were received in 2021
- ◆ An increase \$132,994 (11.1%) in funding to international programs
- ◆ An increase \$97,499 (48.1%) in funding to domestic programs
- ◆ Fundraising income increased by \$60,651 (69.0%)
- ◆ Fundraising costs increased by \$34,472 (12.5%).

Financial Results

The surplus of the consolidated entity for the financial year 1 January to 31 December 2021 was \$150,948 (2020 surplus: \$835,188).

Performance Measures

Administration Ratio

A useful measure of the Consolidated Entity's administrative efficiency is its administration cost ratio. The ratio expresses administration costs (including depreciation) as a percentage of total expenditure. For 2021 the ratio was 12.2% (2020: 12.5%).

Fundraising cost ratio

Another ratio often given attention is the fundraising cost ratio. There are different definitions of this ratio used throughout the not-for-profit sector. In order to assess the organisation's performance accurately and to provide a comparison with other non-government organisations, the following two fundraising cost ratios have been used:

- ◆ Fundraising costs as a percentage of total revenue
The ratio in relation to total revenue for 2021 was 10.3% (2020: 8.0%).
- ◆ Fundraising costs as a percentage of fundraising income (excluding grants)
Fundraising income, primarily from functions and events, represents 4.9% (2020: 2.5%) of the total annual revenue.
The ratio in relation to all funds raised from fundraising events for 2021 was 209.7% (2020: 315.9%). Fundraising costs are comprised of facility hire, event management, catering and promotional activities for the specific events and hence account for a significant percentage of income. Donations generated from these activities are recorded separately in the accounts and are captured together with investment, bequest and grant income in the remaining 95.1% (2020: 97.4%) of annual
It is therefore necessary to be cautious when comparing the fundraising cost ratio over time and with the corresponding ratio of other charities that may have quite different ways of funding their activities and reporting their results.

Events subsequent to reporting date

There has been no matter or circumstance, which has arisen since 31 December 2021 which has significantly affected or which may significantly affect:

- (a) the operations of the consolidated entity;
- (b) the results of those operations; or
- (c) the state of affairs of the consolidated entity, in subsequent financial years.

The operations of Edmund Rice Foundation (a Charitable Trust) and Edmund Rice Overseas Aid Fund will be recorded in the financial statements of Edmund Rice Foundation (Australia) from January 1 2022.

Edmund Rice Foundation (Australia), ABN 28 153 110 055, a Company limited by guarantee, was granted PBI status during 2021. Edmund Rice Foundation (Australia) has a similar purpose to that of Edmund Rice Foundation Trust and Edmund Rice Overseas Aid Fund will assume the operations of both entities. This includes assuming the assets and liabilities of the entities.

Consolidated Statement of Income and Expenditure for the year ended 31 December 2021

	Consolidated	
	2021	2020
	\$	\$
REVENUE		
Donations and gifts		
Monetary	2,471,030	2,945,712
Fundraising income	147,956	87,305
Investment and interest income	155,235	88,748
Net change in fair value of financial assets classified as fair value through profit or loss	203,286	57,707
Other income	27,988	263,477
Revenue for international political or religious adherence promotion programs	-	-
TOTAL REVENUE	3,005,495	3,442,949
EXPENDITURE		
International aid and development programs expenditure		
Funds to international programs	1,330,502	1,197,508
Program support costs	447,568	492,481
Community education	115,510	107,797
Fundraising costs (international and domestic)		
Public	310,278	275,806
Accountability and administration	348,176	324,471
<i>Total international aid and development programs expenditure</i>	<i>2,552,034</i>	<i>2,398,063</i>
Domestic aid and development programs expenditure	300,000	202,501
TOTAL EXPENDITURE	2,852,034	2,600,564
EXCESS OF REVENUE OVER EXPENDITURE	153,461	842,385
Statement of Comprehensive Income for the year ended 31 December 2021		
EXCESS OF REVENUE OVER EXPENDITURE	153,461	842,385
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss		
Foreign currency loss	(2,513)	(7,197)
TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR	(2,513)	(7,197)
TOTAL COMPREHENSIVE SURPLUS FOR THE YEAR	150,948	835,188

During the financial year, Edmund Rice Foundation (Australia) received no income for international political or religious proselytisation programs.

Consolidated Statement of Financial Position as at 31 December 2021

	Consolidated	
	2021	2020
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	3,265,429	3,331,473
Trade and other receivables	185,466	131,854
Other	36,083	56,509
Total current assets	3,486,978	3,519,836
Non-current assets		
Financial assets	1,845,212	1,640,256
Plant and equipment	35,388	45,394
Leasehold improvements	8,836	11,779
Lease assets	93,113	127,333
Total non-current assets	1,982,549	1,824,762
Total assets	5,469,527	5,344,598
Liabilities		
Current liabilities		
Trade and other payables	162,422	168,664
Lease liability	35,267	38,345
Provisions	11,415	10,282
Total current liabilities	209,104	217,291
Non-current liabilities		
Provisions	15,760	2,952
Lease liability	69,635	100,275
Total non-current liabilities	85,395	103,227
Total liabilities	294,499	320,518
Net assets	5,175,028	5,024,080
Equity		
Settlement	100	100
Retained (deficit)	(499,020)	(96,617)
Reserves	5,673,948	5,120,597
Total equity	5,175,028	5,024,080

Consolidated Statement of Changes in Equity for the year ended 31 December 2021

Consolidated	Settlement Funds	Accumulated Funds Available for Future Use	Bequest Reserve	Financial Assets Reserve	Foreign Exchange Reserve	Specified Purpose Reserves	Total
	\$	\$	\$	\$		\$	\$
Balance 1 January 2020	100	30,229	1,662,892	201,207	(3,491)	2,297,955	4,188,892
Surplus attributable to Edmund Rice Foundation (Australia)	-	842,385	-	-	-	-	842,385
Other comprehensive income for the year	-	-	-	-	(7,197)	-	(7,197)
Transfers to reserves							
Specified purpose reserves	-	(911,524)	-	-	-	911,524	-
Changes in fair value of investments through profit or loss	-	(57,707)	-	57,707	-	-	-
Balance 31 December 2020	100	(96,617)	1,662,892	258,914	(10,688)	3,209,479	5,024,080
Surplus attributable to Edmund Rice Foundation (Australia)	-	153,461	-	-	-	-	153,461
Other comprehensive income for the year	-	-	-	-	(2,513)	-	(2,513)
Transfers to reserves							
Specified purpose reserves	-	(352,578)	-	-	-	352,578	-
Changes in fair value of investments through profit or loss	-	(203,286)	-	203,286	-	-	-
Balance 31 December 2021	100	(499,020)	1,662,892	462,200	(13,201)	3,562,057	5,175,028

Consolidated Statement of Cash Flows for the year ended 31 December 2021

	2021	2020
	\$	\$
Cash flows from operating activities		
Cash receipts in the course of operations	2,593,274	3,875,232
Cash payments in the course of operations	(2,769,774)	(2,790,790)
Interest received	2,529	3,371
Investment income	152,794	85,804
Net cash (used in) / provided by operating activities	<u>(21,177)</u>	<u>1,173,617</u>
Cash flows from investing activities		
Investment of bequest income	(1,669)	(971)
Purchase of plant and equipment	(8,705)	(30,000)
Net cash (used in) investing activities	<u>(10,374)</u>	<u>(30,971)</u>
Cash flows from financing activities		
Principal elements of lease payments	(34,493)	(27,198)
Net cash (used in) financing activities	<u>(34,493)</u>	<u>(27,198)</u>
Net (decrease) / increase in cash held	(66,044)	1,115,448
Cash and cash equivalents at the beginning of the year	3,331,473	2,216,025
Cash and cash equivalents at end of the year	<u>3,265,429</u>	<u>3,331,473</u>

Consolidated table of cash movements for designated purposes for the year ended 31 December 2021

	Cash available at the beginning of the financial year	Cash Received	Cash Disbursed during year	Cash available at the end of the financial year
	\$	\$	\$	\$
Funds Raised for				
Edmund Rice African Developing Nations Projects				
Ruben Centre (Kenya)	347,918	668,393	(619,165)	397,146
Total for other purposes	2,983,555	2,080,204	(2,195,476)	2,868,283
	<u>3,331,473</u>	<u>2,748,597</u>	<u>(2,814,641)</u>	<u>3,265,429</u>

The consolidated entity is a signatory to the Australian Council for International Development (ACFID) Code of Conduct, and as such has an obligation to provide the following information which demonstrates adherence to the Code's financial standards. For further information on the Code please refer to the ACFID Code of Conduct Guidance Document available at www.acfid.asn.au.

The only appeal which represented more than 10 percent of the total cash raised in 2021 was for the Ruben Centre.

The purpose of the table of cash movements is to ensure the accountability of cash raised for designated purposes. The table of cash movements is used to disclose the amount of cash that has been raised for a designated purpose, disbursed and remains unspent at the end of the year.

Cash raised refers to cash donations and other income actually received during the year. Cash disbursed refers to expenditure actually paid out during the year.

Notes to the consolidated summary financial report for the year ended 31 December 2021

The concise financial report is an extract from Edmund Rice Foundation (Australia)'s consolidated full financial report for the year ended 31 December 2021

The financial statements and specific disclosures included in the concise financial report have been derived from the full financial report.

The concise financial report does not and cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of Edmund Rice Foundation (Australia) and its trusts as the full financial report.

A full description of the accounting policies adopted by Edmund Rice Foundation (Australia) may be found in the full financial report available at erf.org.au.

The concise financial report is presented in Australian dollars.

Edmund Rice Foundation (Australia)

ABN 28 153 110 055

For the year ended 31 December 2021**Responsible Persons' Declaration**

The responsible persons declare that in their opinion:

- (a) The concise financial report of the Company and its controlled entities for the year ended 31 December 2021 as set out in pages 1 to 3 complies with Accounting Standard AASB 1039: Concise Financial Reports
- (b) The concise financial report is an extract from the full financial report for the year ended 31 December 2021. The financial statements and specific disclosures included in the concise financial report have been derived from the full financial report.
- (c) The concise financial report cannot be expected to provide a full understanding of the financial performance, financial position and financing and investing activities of the Company and its controlled entities as the full financial report, which is available on request.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

This declaration is made in accordance with a resolution of the responsible persons



Director

Dated at Brisbane this 20th day of June 2021

**Independent Auditor's Report
To The Members of Edmund Rice Foundation (Australia)
ABN: 28 153 110 055****Report on the Audit of the Summary Financial Report**

We have audited the summary financial report of Edmund Rice Foundation (Australia) ("the Company"), which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information including consolidated table of cash movements, are derived from the audited financial report of Edmund Rice Foundation (Australia) for the year ended 31 December 2021. We expressed a qualified audit opinion on this financial report dated 20 June 2022.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the summary financial report derived from the audited financial report of Edmund Rice Foundation (Australia) for the year ended 31 December 2021 is consistent, in all material respects, with the audited financial report, on the basis described in Note 1.

Summary Financial Report

The summary financial report does not contain all the disclosures required by Australian Accounting Standards applied in preparation of the audited financial report of Edmund Rice Foundation (Australia). Reading the summary financial report, therefore, is not a substitute for reading the audited financial report of Edmund Rice Foundation (Australia) and the auditor's report thereon. The summary financial report and the audited financial report do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial report.

The Audited Financial Report and Our Report Thereon

We expressed a qualified audit opinion on the audited financial report in our report dated 31 December 2021. The basis for our qualified opinion was in relation to the completeness of donations. Donations are a significant source of fundraising revenue for Edmund Rice Foundation (Australia). The Edmund Rice Foundation (Australia) has determined that it is impracticable to establish control over the collection of donations prior to entry into its financial records. Accordingly, as the evidence available to us regarding fundraising revenue from this source was limited, our audit procedures with respect to donations had to be restricted to the amounts recorded in the financial records. We therefore are unable to express an opinion on whether the recorded donations of Edmund Rice Foundation (Australia) are complete.

Responsibilities of Responsible Persons for the Summary Financial Report

The responsible persons are responsible for the preparation of the summary financial report on the basis described in Note 1 to the audited financial report, to the extent applicable to the summary financial report.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the concise financial statements are consistent, in all material respects, with the audited financial report based on our procedures, which were conducted in accordance with Auditing Standard *ASA 810 Engagements to Report on Summary Financial Statements*.



S S Wallace
Partner

20 June 2022



Pitcher Partners
Sydney