

XAVIER COLLEGE FOUNDATION LIMITED
ABN 52 005 403 476

Registered Office: Xavier College, 135 Barkers Road, Kew 3101

Telephone: (03) 9815 4542

President: Christopher Callinan

Vice President: Paul Ferla

Executive Director: Shane Healy

Secretary: Rose-Mary Cassin

Banker: Commonwealth Bank of Australia Limited
St George Bank Limited to 13 September 2019
Macquarie Bank Limited from 4 August 2020

Auditor: Deloitte Touche Tohmatsu

DIRECTORS:

CHRISTOPHER CALLINAN
President, Chairman of Directors

PAUL FERLA
Vice President, Treasurer

ROSE-MARY CASSIN
Secretary

PATRICK CODY

DAMIEN FARRELL
(Commenced 27 February 2020)

CAROLYN IRELAND
(Commenced 27 February 2020)

PETER WALSH

MR WILLIAM DOHERTY
Principal

FR CHRIS MIDDLETON SJ
Rector

ANTHONY BREHERTON
Executive Director
(Resigned 23 January 2020)

SHANE HEALY
Executive Director
(Commenced 17 January 2020)

XAVIER COLLEGE FOUNDATION LIMITED
ABN 52 005 403 476
President's Report

I write this at a time of significant turbulence, as the COVID-19 pandemic continues to adversely impact the community at large. The Xavier family and your Foundation have not been spared its impact. However there have been positives to emerge, including a generous response to our Inspiring Excellence Appeal, and notwithstanding the volatile investment environment, a strong contribution to the College from the Foundation. We have also strengthened the Foundation Board with two new Directors and have appointed a new Executive.

Contributions to Xavier College

Contributions to the College from donations and investment returns totalled \$4.014 million made up of \$1.357 million from the Endowment Fund, \$2.214 million from the Building Fund, \$434k from the Ignatius Education Fund and \$7.7k from the Library Fund.

The 2018-2019 year benefited from a stronger investment environment and significant one-off gains from share buybacks from BHP and Rio. We are again grateful for the work of our Investment Committee in charting a course through this turbulent environment. The Building Fund benefited from donations of \$1.47million during the year bringing accumulated funds to \$3.575 million.

Inspiring Excellence Appeal

Careful thought was given to the appropriateness of an appeal given the context of the pandemic. The decision was taken to proceed, but with the priority message being one of assistance to keep current students at Xavier. The result was the strongest response for many years which is a wonderful reflection of the generosity of the Xavier Community.

New Directors

In my report last year, I flagged that we would be seeking new Directors and new expertise on our Board. I am delighted to advise that Carolyn Ireland and Damien Farrell joined our Board from our first meeting in 2020, and we are already benefiting from their inputs.

Carolyn – the mother of three boys at Xavier – is a Company Director with experience in Finance, Risk, Audit, and Investment at both listed and unlisted entities. She is currently Head of Strategy and Investor Relations at Australian Pharmaceutical Industries, and a Director at International Women's Development Agency, and Defence Health.

Damien Farrell is an Old Xaverian and has been in senior roles at Monash University for the past 10 years. Over the past five years he has held the positions of Executive Director External Relations Development and Alumni, and Vice President Advancement where he has transformed the fundraising, alumni engagement, and Government relations portfolio for Australia's largest University. He now Chairs our Advancement Committee.

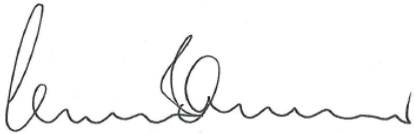
New Executive

Following his appointment to the new role of Director of Community and Engagement on the Xavier College Executive, we are pleased to advise that Shane Healy has now also assumed the role of Executive of the Foundation. Shane will play an important role with the Foundation Team maintaining our continued alignment with the College.

Your Foundation is grateful to the many people who have contributed to our results in 2019-2020

- Our many generous donors & supporters – especially in this difficult year.
- Mr Peter Walsh, who does so much for the Foundation as a director, generous personal supporter, and Trustee of the Eldon Hogan and several other major benefactor Trusts. We appreciate Peter’s counsel and advice.
- Our Foundation Board and Rose-Mary Cassin for her work as the Secretary to that board.
- The Investment committee members led by Paul Ferla - Patrick Cody, Ben Dalling, Anthony Garvey, John McKinnon and Andrew Polson who give generously of their time, and once again have successfully managed the various Foundation funds.
- The Foundation Executive Team - Shane Healy, Bernadette Batten, Lucy Cohen, Heather Murphy, and Peter McDonnell who work so well to make sure the day-to-day activities of the Foundation progress efficiently to the ultimate benefit of Xavier College.
- The Rector Fr Chris Middleton SJ and Mr William Doherty, Principal of Xavier College who keep us informed on and aligned with the College.
- Our Advancement Committee – Damien Farrell, Patrick O’Brien, Don Smarrelli OAM, Stephen Parnis, Debbie De Souza, and Anthony Healy

The Foundation remains committed to its core activities of fundraising, investment and administration of corpus, to provide scholarships and bursaries that extend a Jesuit education to those who may not be able to otherwise realise this opportunity. Our work in 2021 and beyond will also include planning for a campaign with the Xavier Community to provide funding to ensure that the College’s strategic plan is realised. This is critical for Xavier College to thrive into the future.



Christopher Callinan

President

8 October 2020

XAVIER COLLEGE FOUNDATION LIMITED
ABN 52 005 403 476

Principal's Report

Having launched the new Xavier College Strategic Plan **XC150** in April 2019, the College is preparing itself to launch forward into significant new and reimagined core aspects that comprise the richness of our Xaverian world. The Plan signals a clear Intent: "Xavier College aspires to be world-class in all we do. We strive to form exceptional graduates through inspiring learning experiences and our distinct Jesuit character." In recognising our Jesuit heart and a centring focus on the values and characteristics developed for our graduates, the Plan outlines seven Pillars to guide the actions and endeavours of the College as we set sail towards our 150th year in 2028.

The Xavier College Foundation will undoubtedly play a critical role in supporting and assisting the College to bring to life this new vision in the coming years. While this Strategic Plan may be new, the broad intent of the College and the Foundation remain firmly anchored in embodying the great, enduring Jesuit ideals that have directed the College and its endeavours through our esteemed past. By its actions and the generous support of donors through giving and bequests, the Foundation is able to contribute to the wellbeing and experiences of others, providing opportunities for many young scholars to be challenged and inspired in their learning, to be formed through an Ignatian lens, and to come to discover their own worth and potential, and in turn, their ability to make a positive contribution and difference to their world and those who surround them.

The College continues to be entirely grateful for the astute management by the Foundation of its corpus of funds that continue to materialise the tangible opportunities for students to gain a bursary or scholarship and so gain a Xavier education. Our educational capacity is enriched by the *Inspiring Excellence* campaign and its significant contribution to the generous provision of bursaries and scholarships, as well as to the enhancement of College libraries, our beautiful, historic buildings, and also to the creation of innovative and inspiring learning spaces that speak to the best of contemporary learning for our current and future students.

On behalf of the College, I extend our thanks to the dedicated and informed work of the Foundation Board, to its Chair, Mr Chris Callinan, its committee members, and to our capable College staff contributors. Along with Ms Bernadette Batten as the Deputy Director, I would like to highlight and thank Mr Tony Bretherton as the Director of Development and Community Relations and Executive Director of the Foundation as he leaves the College at the conclusion of 2019, acknowledging his significant efforts and contribution.

There will be much exciting work ahead as the College seeks to implement a new Masterplan, aligned with and responsive to its Strategic Plan, that will unlock the potential of our great College and the students and families we humbly serve.



William Doherty
Principal
8 October 2020

XAVIER COLLEGE FOUNDATION LIMITED
ABN 52 005 403 476

Directors' Report

The Directors make this Report as follows:

In this Report:

"Annual Report" means the 2020 Annual Report of the Foundation of which this Report forms part

"the Act" means Australian Charities and Not-for-profits Commission Act 2012

"the Foundation" means Xavier College Foundation Limited

ACN 005 403 476 / ABN 52 005 403 476

"the year" means the financial year ended 30 June 2020

"the Directors" means the Directors of the Foundation

"year end" means 30 June 2020

"the prior year" means the financial year ended 30 June 2019.

Xavier College Foundation Limited (the Foundation) was incorporated as a company limited by Guarantee on 12th December 1977. It is a public company under the Australian Charities and Not-for-profits Commission Act 2012. The control, management and conduct of the affairs of the Foundation are vested in a Board of Directors, who through various standing Committees is responsible for its continual growth and development.

REVIEW AND RESULTS OF OPERATIONS

For the year the aggregate of the investments of the Endowment and Ignatius Education Fund was \$21.12 million compared with \$23.28 million in the previous year. The aggregate of accumulated funds of the Endowment and Ignatius Education Fund was \$29.06 million compared with \$30.59 million at the end of the prior year.

During the year a total \$4.01 million was paid to Xavier College from the prior earnings of the various Funds of the Foundation. The equivalent contribution to the College the prior year was \$1.31 million.

ENDOWMENT FUND

Total members' funds at year end were \$21,254,581 being a decrease of \$1,203,696 on the

position at the end of the prior year, due primarily to the decrease in investment earnings over the prior year.

Dividends received on investments during the year totalled \$917,270 being \$374,055 less than receipts in the prior year. Net unrealised losses on investments were \$838,448 compared with net unrealised losses in the prior year of \$351,865, a difference of \$486,583. There was a net realised loss on sales of investments of \$42,883 compared with a net loss of \$119,340 in the previous period.

Interest income earned in the year of \$105,907 compared with \$117,123 in the prior year.

Administration expenses, mainly, brokerage and audit costs, incurred by the fund during the year were \$76,391 compared with \$48,394 last year.

Operating Result

The operating surplus of the Endowment Fund prior to distribution to Xavier College was \$153,409 compared with the prior year of \$2,197,483, a difference of \$2,044,074. This difference is due to a decreased in income of \$1,605,951 and the realised and unrealised losses this year of \$881,331 compared to losses last year of \$471,205.

During the year it was pleasing, under the provisions of the Constitution, to distribute a grant of \$1,357,105 to the College from the prior year's earnings. In the prior year a grant of \$785,497 was made. After accounting for these grants the net deficit for the year was \$1,203,696 compared with the prior year's surplus of \$1,411,986.

BUILDING FUND

Accumulated funds at year end of the Xavier College Building Fund, of which the Foundation is a trustee, were \$3,574,733 compared with \$4,254,890 at the end of the prior year.

Donations received totalled \$1,471,030 compared with the previous year of \$1,640,740.

The Building Fund made payments to Xavier College from the prior year's earnings of \$2,214,773 for building costs. Payments of \$136,253 were made in the prior year.

LIBRARY FUND

Accumulated funds at year end of the Xavier College Library Fund of which the Foundation is a trustee were \$58,208 compared with \$57,272 at the end of the prior year.

The fund received donations in the current year of \$8,484 compared with donations in the prior year of \$13,450. In the current year a distribution of \$7,738 was made to Xavier College by the Library Fund; there was no distribution in the prior year.

IGNATIUS EDUCATION FUND

Accumulated funds of the Ignatius Education Fund at year end were \$7,806,135 being a decrease of \$323,087 on the position at the end of the prior year. This was due to a decrease in the value of investments held during the year of that amount.

Operating result

Dividends and interest received on investments during the year totalled \$350,427 being \$211,698 less than receipts in the prior year. Unrealised losses on investments were \$613,724 compared with unrealised gains in the prior year of \$33,755. Realised net gains on sale of investments were \$38,531 compared to net losses of \$59,953 in the previous period.

Administration expenses, mainly, brokerage and audit costs, incurred by the fund during the year were \$35,437 an increase on the prior year of \$14,437.

The operating surplus of the Ignatius Education Fund, prior to distribution to Xavier College was \$111,599 compared with the prior year's surplus of \$853,851, a decrease of \$742,252.

During the year, it was pleasing to distribute a total of \$434,686 to the College for scholarships and bursaries. The total distribution in the prior year was \$389,420.

After accounting for these payments, the deficit for the year was \$323,087 compared with a surplus of \$464,431 in the prior year.

BENEVOLENT FUND

The Benevolent Fund will continue to provide a tax effective way for Old Xaverians and others to support Old Xaverians and our wider community in necessitous circumstances.

The Fund had a balance of \$48,516 as at 30 June 2020 with an operating surplus of \$14,918 for the year ended 30 June 2020.

SUBSEQUENT EVENTS

The COVID-19 outbreak has resulted in significant volatility in the global share markets. This has not had a material impact on the market value of the Foundation's investment portfolio since 30 June 2020.

There has been no other transactions or events of a material and unusual nature between the end of the reporting period and the date of the report likely, in the opinion of the Directors of the Foundation, to affect significantly the operations of the foundation, the results of those operations, or state of affairs of the entity in future years.

INDEMNIFICATION OF OFFICERS

The Foundation has not, during or since the financial year, in respect of any current or former officer or auditor of the Foundation, indemnified or made any relevant agreement for indemnifying against a liability.

The Foundation has, during or since the financial year, in respect of any current or former officer or auditor of the Foundation, paid or agreed to pay a premium in respect of a contract insuring against a liability for legal costs.

PROCEEDINGS ON BEHALF OF FOUNDATION

No person has applied for leave of court to bring proceedings on behalf of the Foundation or intervene in any proceedings to which the Foundation is a party for the purpose of taking responsibility on behalf of the Foundation for all or any part of those proceedings. The Foundation was not a party to any such proceedings during the financial year.

AUDITORS'S INDEPENDENCE DECLARATION

The auditor's independence declaration is included on page 11 of the annual report.

XAVIER COLLEGE FOUNDATION LIMITED
ABN 52 005 403 476

Directors' Report

Number of meetings of Directors

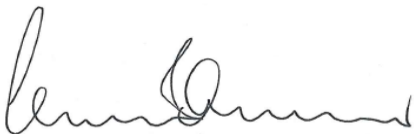
DIRECTOR	MEETINGS ATTENDED	
	A	B
Christopher Callinan	6	6
Rose-Mary Cassin	6	6
Patrick Cody	6	5
William Doherty	6	4
Damien Farrell <i>(Commenced 27 February 2020)</i>	2	2
Paul Ferla	6	5
Carolyn Ireland <i>(Commenced 27 February 2020)</i>	2	2
Fr Chris Middleton SJ	6	5
Peter Walsh	6	5

A = Number of eligible meetings held during the year. **B** = Number of meetings attended

In the case of those who held office for part of the accounting period **A** means the number of meetings held while the person was a director and **B** means the number of those meetings the person attended.

The Foundation is an incorporated company limited by guarantee. The maximum amount of contribution of each Member of the Foundation is \$5.00. This amount may not be called up except in the event and for the purposes of the winding up of the Foundation. At 30 June 2020 the number of Members was 1,399.

This Report is made in accordance with a resolution of the Directors.



Director

Dated this 8th day of October 2020

Independent Auditor's Report to the members of Xavier College Foundation Limited

Opinion

We have audited the financial report, being a special purpose financial report of Xavier College Foundation Limited (the "Entity") which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion, the accompanying financial report of the Entity is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (the "ACNC Act"), including:

- (i) giving a true and fair view of the Entity's financial position as at 30 June 2020 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

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 are independent of the Entity in accordance with the auditor independence requirements of the ACNC Act and the ethical requirements of the Accounting Professional and 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.

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

Emphasis of Matter – Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other Information

The directors are responsible for the other information. The other information comprises the president, the principal and the directors' reports for the year ended 30 June 2020 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 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, 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 for the Financial Report

The directors of the Entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act and the needs of the members. The directors' responsibility also includes 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 Entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the Entity or to cease operations, or has 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 this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Deloitte.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Peter Glynn

Peter Glynn
Partner
Chartered Accountants
Melbourne, 8 October 2020

The Board of Directors
Xavier College Foundation Limited
Xavier College
Barkers Road
KEW VIC 3101

8 October 2020

Dear Board Members


Xavier College Foundation Limited

In accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, I am pleased to provide the following declaration of independence to the Directors of Xavier College Foundation Limited.

As lead audit partner for the audit of the financial statements of Xavier College Foundation Limited for the financial year ended 30 June 2020, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audits.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



Peter Glynn

Partner

Chartered Accountants

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XAVIER COLLEGE FOUNDATION LIMITED
ABN 52 005 403 476

Directors' Declaration

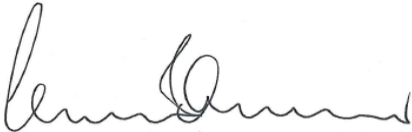
As detailed in Note 1 to the financial statements, the company is not a reporting entity because in the opinion of the directors there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this 'special purpose financial report' has been prepared to satisfy the directors' reporting requirements under the Australian Charities and Not-for-profit Commission Act 2012.

The directors declare that:

- (a) 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; and
- (b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Australian Charities and Not-for-profit Commission Act 2012, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the entity.

Signed in accordance with a resolution of the directors made pursuant to s.60.15 of the Australian Charities and Not-for-profit Commission Regulations 2013.

On behalf of the Directors



Director

Dated this 8th day of October 2020

XAVIER COLLEGE FOUNDATION LIMITED
ABN 52 005 403 476

Statement of Profit or Loss and Other Comprehensive Income - Year ended 30 June 2020

	Note	2020 \$	2019 \$
Income	2	1,111,131	2,717,082
Net unrealised loss on investments		(838,448)	(351,865)
Net realised loss on investments		(42,883)	(119,340)
Other expenses		<u>(76,391)</u>	<u>(48,394)</u>
Surplus from operations before tax	3	153,409	2,197,483
Grants to Xavier		<u>(1,357,105)</u>	<u>(785,497)</u>
(Deficit)/surplus for the year		<u>(1,203,696)</u>	<u>1,411,986</u>
Other comprehensive income		-	-
Total comprehensive (deficit)/surplus for the year		<u>(1,203,696)</u>	<u>1,411,986</u>

The accompanying notes form part of these financial statements.

XAVIER COLLEGE FOUNDATION LIMITED
ABN 52 005 403 476

Statement of Financial Position – Year ended 30 June 2020

	Note	2020 \$	2019 \$
Current assets			
Cash and cash equivalents	4	3,914,076	2,663,156
Receivables	5	481,943	633,164
Financial assets	6	<u>14,803,596</u>	<u>16,995,754</u>
Total current assets		<u>19,199,615</u>	<u>20,292,074</u>
Non-current assets			
Receivables	5	<u>2,093,750</u>	<u>2,218,750</u>
Total non-current assets		<u>2,093,750</u>	<u>2,218,750</u>
Total assets		<u>21,293,365</u>	<u>22,510,824</u>
Current liabilities			
Payables & Accruals	7	<u>38,784</u>	<u>52,547</u>
Total current liabilities		<u>38,784</u>	<u>52,547</u>
Total liabilities		<u>38,784</u>	<u>52,547</u>
NET ASSETS		<u>21,254,581</u>	<u>22,458,277</u>
Members' funds			
Accumulated funds		<u>21,254,581</u>	<u>22,458,277</u>
TOTAL MEMBERS' FUNDS		<u>21,254,581</u>	<u>22,458,277</u>

The accompanying notes form part of these financial statements.

XAVIER COLLEGE FOUNDATION LIMITED
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Statement of Cash Flows – Year ended 30 June 2020

	Note	2020 \$	2019 \$
Cash flows from operating activities			
Receipts from Donors and Members		84,164	444,840
Interest received		109,397	93,166
Payments to Xavier College, Xavier College Building Fund and suppliers		(1,447,259)	(890,741)
Receipts from investments (dividends and distributions)		1,068,791	1,091,601
Net cash (used)/provided by operating activities	11(b)	<u>(184,907)</u>	<u>738,866</u>
Cash flows from investing activities			
Proceeds from sale of investments		5,318,618	2,781,219
Purchase of investments		<u>(4,007,791)</u>	<u>(2,337,538)</u>
Net cash provided by investing activities		<u>1,310,827</u>	<u>443,681</u>
Cash flows from financing activities			
Proceeds from loans to related parties		<u>125,000</u>	<u>93,750</u>
Net cash provided by financing activities		<u>125,000</u>	<u>93,750</u>
Net increase in cash held		1,250,920	1,276,297
Cash and cash equivalents at the beginning of the financial year		<u>2,663,156</u>	<u>1,386,859</u>
Cash and cash equivalents at the end of the financial year	11(a)	<u><u>3,914,076</u></u>	<u><u>2,663,156</u></u>

The accompanying notes form part of these financial statements.

XAVIER COLLEGE FOUNDATION LIMITED
ABN 52 005 403 476

Statement of Changes in Equity – Year ended 30 June 2020

	Accumulated funds \$	Total \$
Balance at 1 July 2018	21,046,291	21,056,291
Surplus for the year	1,411,986	1,411,986
Total comprehensive surplus for the year	<u>1,411,986</u>	<u>1,411,986</u>
Balance at 30 June 2019	<u>22,458,277</u>	<u>22,458,277</u>
Balance at 1 July 2019	22,458,277	22,458,277
Deficit for the year	(1,203,696)	(1,203,696)
Total comprehensive deficit for the year	<u>(1,203,696)</u>	<u>(1,203,696)</u>
Balance at 30 June 2020	<u>21,254,581</u>	<u>21,254,581</u>

The accompanying notes form part of these financial statements.

XAVIER COLLEGE FOUNDATION LIMITED
ABN 52 005 403 476

Notes to the Financial Statements – Year ended 30 June 2020

1. Statement of significant accounting policies

The Xavier College Foundation’s registered office and its principal place of business are as follows:

Registered office:	Principal place of business
135 Barkers Road	135 Barkers Road
Kew VIC 3101	Kew VIC 3101

The Foundation is a company limited by guarantee, incorporated and domiciled in Australia.

Financial reporting framework

This financial report is a special purpose report prepared for the members of the Foundation and to enable compliance with the provisions of the Australian Charities and Not-for-profits Commission Act 2012. The Foundation is not a reporting entity because in the opinion of the directors there are unlikely to exist users who are unable to command the preparation of reports to satisfy their needs.

For the purpose of preparing these financial statements, the entity is a not-for-profit entity.

The financial statements were authorised for issue by the Board on 8 October 2020.

Statement of compliance

The financial report has been prepared in accordance with the Australian Charities and Not-for-profits Commission Act 2012, the recognition and measurement criteria specified by all Accounting Standards and Interpretations, and the disclosure requirements of Accounting Standards AASB 101 “Presentation of Financial Statements”, AASB 107 “Statement of Cash Flows”, and AASB 108 ‘Accounting Policies, Changes in Accounting Estimates and Errors’ and AASB 1054 “Australian Additional Disclosures”. Accounting Standards include Australian equivalents to International Reporting Standards (AIFRS).

Basis of preparation

The financial statements have been prepared on the basis of historical cost, except for certain financial instruments that are measured at fair values, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Foundation takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of these statements.

(a) Income Tax

The Foundation is exempt from Income Tax.

1. Statement of significant accounting policies (cont'd)

(b) Financial instruments

Financial assets and financial liabilities are recognised when the Foundation becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

Financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

Classification of Financial assets

Financial instruments that meet the following conditions are measured subsequently at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Initial measurement of financial assets

Financial assets are classified according to their business model and the characteristics of their contractual cash flows. All financial assets are initially measured at fair value adjusted for transaction costs.

Subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified into the following categories:

- Financial assets at amortised cost
- Financial assets at FVTPL

(i) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income over the relevant period.

(ii) Financial assets at fair value through profit or loss (FVTPL)

Financial assets at FVTPL (being listed equities and managed funds) are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss.

Impairment of financial assets

The Foundation recognises a loss allowance for expected credit losses on trade and other receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

1. Statement of significant accounting policies (cont'd)

(b) Financial instruments (cont'd)

Trade and other receivables

The Foundation makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Foundation uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

Financial liabilities and Equity

Financial liabilities measured subsequently at amortised cost

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

(c) Income

Income from investments consists of dividends and distributions from investment holdings and is recognised at the ex-dividend date. Dividend income is recognised when the right to receive the dividend has been established.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial asset. Bequests, donations and other miscellaneous income are recognised when received.

(d) Cash and cash equivalents

For the purpose of the Statement of cash flows, cash includes cash on hand and at call deposits with banks or financial institutions, other short-term highly liquid investments with original maturities of three months or less net of outstanding bank overdrafts.

(e) Right of indemnity

Xavier College Building, Library, Benevolent and Ignatius Education Fund: Xavier College Foundation Limited acts as trustee for the funds of the Xavier College Building, Library, Benevolent and Ignatius Education Fund which, at year end, had accumulated funds amounting to \$3,574,733, \$58,208, \$48,516 and \$7,806,135 respectively. The accounts of the Xavier College Building, Library, Benevolent and Ignatius Education Fund, although not forming part of the Xavier College Foundation Limited accounts, are attached to these financial statements.

Liabilities incurred on behalf of these Funds are not recognised in the financial statements of the Foundation when it is not probable that the Foundation will have to meet any of those trust liabilities from its own resources. When it is probable that the Foundation will have to meet some trust liabilities a liability for the Deficiency in Trust Right of Indemnity is brought to account.

1. Statement of significant accounting policies (cont'd)

(f) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(g) Critical accounting judgments and key sources of estimation uncertainty

In the application of the Foundation's accounting policies, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future period.

Some of the Foundations assets are measured at fair value for financial reporting purposes. The Foundation uses market-observable data to the extent it is available. The Investment Committee works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

(h) Amendments to Accounting Standards that are mandatorily effective for the current reporting period

In the current year, the Foundation has applied a number of amendments to AASBs and a new Interpretation issued by the Australian Accounting Standards Board (AASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2019, and therefore relevant for the current year end.

- AASB 16 *Leases*
- AASB 15 *Revenue from Contracts with Customers* and AASB 1058 *Income of Not-for-Profit Entities*

AASB 16 *Leases*

AASB 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to lessee accounting by removing the distinction between operating and finance lease and requiring the recognition of a right-of-use asset and a lease liability at commencement for all leases, except for short-term leases and leases of low value assets. The impact of the adoption of AASB 16 is described below.

The date of initial application of AASB 16 for the Foundation is 1 July 2019.

1. Statement of significant accounting policies (cont'd)

(h) Amendments to Accounting Standards that are mandatorily effective for the current reporting period (cont'd)

AASB 16 Leases (cont'd)

There are no current operating leases currently in place for the Foundation, and therefore this new accounting standard has not had a material impact on the Foundation's financial statements.

AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities

In the current year, the Foundation has applied AASB 1058 *Income of Not-for-Profit Entities* and AASB 15 *Revenue from Contracts with Customers* which are effective for an annual period that begins on or after 1 July 2019.

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, in conjunction with AASB 15. The new income recognition requirements shift the focus from a reciprocal/non-reciprocal basis to a basis of assessment that considers the enforceability of a contract and the specificity of performance obligations.

The core principle of the new income recognition requirements in AASB 1058 is when a NFP entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives, the excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately.

An example of a 'related amount' is AASB 15 and in cases where there is an 'enforceable' contact with a customer with 'sufficiently specific' performance obligations, income is recognised when (or as) the performance obligations are satisfied under AASB 15, as opposed to immediate income recognition under AASB 1058.

Under AASB 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. AASB 15 introduces a 5-step approach to revenue recognition, which is more prescriptive than AASB 118.

The adoption of these standards resulted in no changes to the financial statements.

At the date of authorisation of the financial statements, the entity has not applied the following new and revised Australian Accounting Standards, Interpretations and amendments that have been issued but are not yet effective:

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Notes to the Financial Statements – Year ended 30 June 2020

Standard/amendment	Effective for annual reporting periods beginning on or after
AASB 2018-7 <i>'Amendments to Australian Accounting Standards – Definition of Material'</i>	1 July 2020
AASB 2019-1 <i>Amendments to Australian Accounting Standards – References to the Conceptual Framework</i>	1 July 2020
AASB 2020-1 <i>Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current</i>	1 July 2022
AASB 2020-3 <i>Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments</i>	1 July 2022
AASB 2018-7 <i>'Amendments to Australian Accounting Standards – Definition of Material'</i>	1 July 2020

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Notes to the Financial Statements – Year ended 30 June 2020

	2020	2019
	\$	\$
<hr/>		
2. Income		
- Net income from investments	917,270	1,291,325
- Other income	3,790	-
- Interest – related parties (Loan to Xavier College)	88,081	99,831
- Interest – other persons	17,826	17,292
- Donations and bequests	84,164	1,308,634
	<hr/>	<hr/>
Total income	1,111,131	2,717,082
	<hr/>	<hr/>
3. (Deficit)/surplus for the year		
<p>(Deficit)/surplus for the year has been determined after charging the following Items of income and expenditure:</p>		
(a) Expenses		
Remuneration of auditor		
- audit of financial statements	30,300	29,300
	<hr/>	<hr/>
The auditor is Deloitte Touche Tohmatsu		
4. Cash and cash equivalents		
Macquarie Bank Account	3,450,957	1,722,251
Commonwealth Bank Account	170,429	940,905
Catholic Development Fund Term Deposit	292,690	-
	<hr/>	<hr/>
	3,914,076	2,663,156
	<hr/>	<hr/>

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Notes to the Financial Statements – Year ended 30 June 2020

	Note	2020	2019
		\$	\$
5. Receivables			
Current			
Amounts due from Xavier College Ignatius Education Fund		3,237	3,237
Amounts due from Xavier College Building Fund		2,053	2,053
Amounts due from Xavier College Library Fund		2,080	2,080
Distribution receivable		170,770	88,664
Imputation credits receivable and tax withheld		158,336	388,173
Accrued Interest		20,467	23,957
Amount due from related entity – (Loan to Xavier College)		125,000	125,000
Total current receivables		481,943	633,164
Non-current			
Amount due from related entity – (Loan to Xavier College)		2,093,750	2,218,750
Total non-current receivables		2,093,750	2,218,750
Total receivables		2,575,693	2,851,914
6. Financial assets			
Financial assets at fair value through profit or loss (FVTPL)		14,803,596	16,995,754
		14,803,596	16,995,754

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Notes to the Financial Statements – Year ended 30 June 2020

	Note	2020 \$	2019 \$
7. Payables			
Current			
Creditors & Accruals		35,608	29,258
Held in trust for Xavier College			
Rowing Department		-	18,520
Xavier Football		3,176	4,769
		<u>38,784</u>	<u>52,547</u>

8. Members' liability

The Foundation is an incorporated company limited by guarantee. The maximum amount of contribution of each Member of the Foundation is \$5.00. This amount may not be called up except in the event and for the purposes of the winding up of the Foundation. At 30 June 2020 the number of Members was 1,399.

9. Economic dependency

The College provides support to the Foundation by funding some of the operational costs. These costs have not been brought to account in the income statement as a contribution.

XAVIER COLLEGE FOUNDATION LIMITED
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Notes to the Financial Statements – Year ended 30 June 2020

	Note	2020 \$	2019 \$
11. Cash flows information			
(a) Reconciliation of cash			
Cash and cash equivalents at the end of the financial year shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:			
Cash and cash equivalents	4	3,914,076	2,663,156
(b) Reconciliation of cash flows from operations with surplus for the year:			
(Deficit)/surplus for the year		(1,203,696)	1,411,986
<u>Non-cash flows in operating profit:</u>			
Unrealised loss on fair value investments		838,448	351,865
Realised loss on disposal of investments		42,883	119,340
<u>Changes in assets and liabilities:</u>			
Decrease/(increase) in receivables		151,221	(223,681)
Decrease in payables		(13,763)	(920,644)
Cash flows from operating activities		(184,907)	738,866

(b) Credit standby arrangements

The company has no credit facilities or standby arrangements.

12. Subsequent events

Subsequent to the end of the financial year there have been considerable economic impacts in Australia and globally arising from the outbreak of the COVID-19 virus and the respective Government actions to reduce the spread of the virus. As the situation remains fluid (due to evolving changes in government policy and evolving business and customer reactions thereto) as at the date these financial statements are authorised for issue, the directors of the Foundation considered that the financial effects of COVID-19 on the Foundation's financial statements cannot be reasonably estimated for future financial periods.

There has been no other transactions or events of a material and unusual nature between the end of the reporting period and the date of the report likely, in the opinion of the Directors of the Foundation, to affect significantly the operations of the foundation, the results of those operations, or state of affairs of the entity in future years.

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Notes to the Financial Statements – Year ended 30 June 2020

The Building, and Ignatius Education Funds are non-reporting entities on the basis that there are unlikely to exist users who are unable to command the preparation of reports to satisfy their needs. Except where noted, accounting policies have been consistently applied. These entities have not been consolidated by the Foundation. The financial statements are compiled on a going concern basis adopting the principles of historical cost accounting.

		Building Fund ABN 60 814 757 106		Ignatius Education Fund ABN 13 248 983 008	
	Note	2020	2019	2020	2019
		\$	\$	\$	\$
Current assets					
Cash	2	3,577,532	4,257,699	1,407,392	1,492,927
Receivables	3	4	-	87,122	352,170
Investments	4	-	-	6,316,358	6,288,890
Total current assets		3,577,536	4,257,699	7,810,872	8,133,987
Total assets		3,577,536	4,257,699	7,810,872	8,133,987
Current liabilities					
Payables	5	2,803	2,809	4,737	4,765
Total current liabilities		2,803	2,809	4,737	4,765
Net assets		3,574,733	4,254,890	7,806,135	8,129,222
Equity					
Accumulated funds		3,574,733	4,254,890	7,806,135	8,129,222

The accompanying notes form part of these accounts.

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Notes to the Financial Statements – Year ended 30 June 2020

	Building Fund ABN 60 814 757 106		Ignatius Education Fund ABN 13 248 983 008	
Income	2020	2019	2020	2019
	\$	\$	\$	\$
Donations	1,471,030	1,640,740	371,802	338,924
Bank Account Interest	63,697	67,987	9,844	12,578
Dividends & Investment & Other Income	-	-	340,583	549,547
Net Profit/(Loss) on Investment				
Realised	-	-	38,531	(59,953)
Unrealised	-	-	(613,724)	33,755
	1,534,727	1,708,727	147,036	874,851
Less Expenses				
Administration	(111)	(103)	(35,437)	(21,000)
	(111)	(103)	(35,437)	(21,000)
Operating Surplus	1,534,616	1,708,624	111,599	853,851
Less Grants to Xavier	(2,214,773)	(136,253)	(434,686)	(389,420)
(Deficit)/surplus for the Year	(680,157)	1,572,371	(323,087)	464,431

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Notes to the Financial Statements – Year ended 30 June 2020

	Building Fund ABN 60 814 757 106		Ignatius Education Fund ABN 13 248 983 008	
	2020	2019	2020	2019
	\$	\$	\$	\$
2. Cash				
Cash in Bank	3,577,532	4,257,699	1,407,392	1,492,927
	3,577,532	4,257,699	1,407,392	1,492,927
3.Receivables				
Building Fund	-	-	750	750
Distributions receivable	-	-	12,136	36,070
Tax credits recoverable	-	-	74,236	170,402
Unsettled trade receivable	-	-	-	144,948
Other	4	-	-	-
	4	-	87,122	352,170
4.Investments				
Listed Securities	-	-	5,870,895	5,717,285
Managed Funds	-	-	445,463	571,605
	-	-	6,316,358	6,288,890
5.Payables				
Endowment Fund	2,053	2,053	3,237	3,237
Ignatius Education Fund	750	750	-	-
Library Fund	-	-	1,500	1,500
Other	-	6	-	28
	2,803	2,809	4,737	4,765

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Notes to the Financial Statements – Year ended 30 June 2020

The Library and Benevolent Funds are non-reporting entities on the basis that there are unlikely to exist users who are unable to command the preparation of reports to satisfy their needs. Except where noted, accounting policies have been consistently applied. These entities have not been consolidated by the Foundation. The financial statements are compiled on a going concern basis adopting the principles of historical cost accounting.

		Library Fund ABN 52 005 403 476		Benevolent Fund ABN 61 942 522 455	
	Note	2020	2019	2020	2019
		\$	\$	\$	\$
Current assets					
Cash	2	58,783	57,847	48,516	33,598
Receivables	3	1,505	1,505	-	-
Total current assets		60,288	59,352	48,516	33,598
Total assets		60,288	59,352	48,516	33,598
Current liabilities					
Payables	4	2,080	2,080	-	-
Total current liabilities		2,080	2,080	-	-
Net assets		58,208	57,272	48,516	33,598
Equity					
Accumulated funds		58,208	57,272	48,516	33,598

The accompanying notes form part of these accounts.

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Notes to the Financial Statements – Year ended 30 June 2020

	Library Fund		Benevolent Fund	
	ABN 52 005 403 476		ABN 61 942 522 455	
Income	2020	2019	2020	2019
	\$	\$	\$	\$
Donations	8,484	13,450	15,245	5,955
Dividends & Investment Interest & Other Income	411	3,149	-	1,451
	8,895	16,599	15,245	7,406
Less Expenses				
Administration	(221)	(299)	(327)	(28)
	(221)	(299)	(327)	(28)
Operating Surplus	8,674	16,300	14,918	7,378
Less Grants to Xavier	(7,738)	-	-	-
Surplus for the Year	<u>936</u>	<u>16,300</u>	<u>14,918</u>	<u>7,378</u>

XAVIER COLLEGE FOUNDATION LIMITED
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Notes to the Financial Statements – Year ended 30 June 2020

	Library Fund		Benevolent Fund	
	ABN 52 005 403 476		ABN 61 942 522 455	
	2020	2019	2020	2019
2. Cash	\$	\$	\$	\$
Cash in Bank	58,783	57,847	48,516	33,598
	58,783	57,847	48,516	33,598
3. Receivables				
Ignatius Education Fund	1,500	1,500	-	-
Other receivables	5	5	-	-
	1,505	1,505	-	-
4. Payables				
Endowment Fund	2,080	2,080	-	-
	2,080	2,080	-	-

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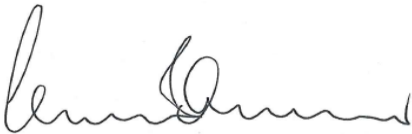
Notes to the Financial Statements – Year ended 30 June 2020

As detailed in Note 1 to the financial statements, the company is not a reporting entity because in the opinion of the directors there are unlikely to exist users of the financial statements who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, these special purpose financial statements have been prepared to satisfy the directors' reporting requirements under the Australian Charities and Not-for-profits Commission Act 2012.

The directors declare that:

- (a) 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; and
- (b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the company.

Signed in accordance with a resolution of the directors made pursuant to s.60.15 of the Australian Charities and Not-for-profits Commission Regulation 2013.



Director

Dated this 8th day of October 2020