XAVIER FOUNDATION

Annual Report 2017

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XAVIER COLLEGE FOUNDATION LIMITED
ABN 52 005 403 476

Registered Office:	Xavier College, 135 Barkers Road, Kew 3101
Telephone:	(03) 9815 4542
President:	Anthony Nunan
Vice President:	Paul Ferla,
Executive Director:	Anthony Bretherton *from 27January 2017* Bernadette Batten *Interim Executive Director* *18 July 2016 to 31 December 2016*
Secretary:	Rose-Mary Cassin
Banker:	Commonwealth Bank of Australia Ltd, St George Bank Ltd
Auditor:	Deloitte Touche Tohmatsu

DIRECTORS:

ANTHONY NUNAN
President, Chairman of Directors

PAUL FERLA
Vice President, Treasurer

CHRISTOPHER CALLINAN

ROSE-MARY CASSIN
Secretary

STEPHEN CASE

PATRICK CODY

PETER NANKIVELL

PETER WALSH

DR CHRIS HAYES
Principal

FR CHRIS MIDDLETON SJ
Rector

ANTHONY BRETHERTON
Executive Director
(from 27 January 2017)

BERNADETTE BATTEN
Interim Executive Director
(appointed 18 July 2016 to 31 December 2016)

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

The financial year ending 2017 saw a more stable environment for the Foundation. Mrs Bernadette Batten agreed to join the Foundation as interim Executive Director in July 2016. Bernadette filled this role extremely capably and we are very grateful for her time in this position.

A restructure of Community Relations & Development was undertaken by the College, which culminated in the appointment of Mr Tony Bretherton in the capacity of Executive Director of the Foundation commencing in January 2017.

Tony came to Xavier with a very wide-ranging CV. Amongst his previous positions he has led development at

- The University of Waikato, New Zealand.
- The University of Limerick, Ireland.
- Wells Cathedral School, England.
- For the past 6 years Tony has been Director of Community Relations at Geelong Grammar.

We offer Tony a warm welcome to the Executive Director's position with the Xavier Foundation

The publication of the Annual Report does provide me with an opportunity to thank all who have contributed to this year's success and also to paint a picture of what we need to achieve for the future.

The financial results of this year have seen the continuation and the development of Foundation funded bursaries to support students at Xavier College.

Without these bursaries, it is likely that the families of these students would not have been able to proceed with enrolment at Xavier and add their contribution to the Xavier College community life.

In achieving this year's results, thanks is extended to:

- Our many generous donors & supporters.
- Mr Peter Walsh, Trustee, Eldon Hogan Trust. Peter is also a wonderful support with his time in offering advice and counsel to me as President of your Foundation.
- Our Foundation Board and in particular Mrs Rose-Mary Cassin for her work as the Secretary to the Foundation Board.
- Tony Bretherton as Executive Director and his team, Bernadette Batten, Heather Murphy, Helen Barry & Richard Moore. This team, in our Foundation office, work to make sure the day-to-day activities progress efficiently to the ultimate benefit of Xavier.
- Mr Frank Peck OAM, Chairman of the Xavier Council for the help and support he has given to the Foundation, and me, over the last 12 months.
- The Investment committee members who once again have managed your Foundation funds so successfully.
- Dr Chris Hayes, Principal of Xavier College who will be leaving at the end of 2017. We thank Chris and wish him well for the future.

Key achievements

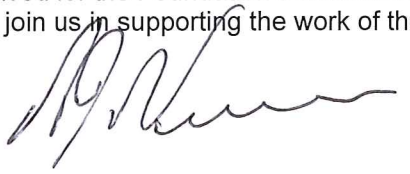
- Appointment of the new Executive Director, Tony Bretherton.
- Bedding down of a new operational structure of the Foundation.
- Incorporation of the Foundation Newsletter into Xavier News
- From the 2015/2016 Financial year a distribution of $894,855 was made to the College from the Foundation
- In additional to the above distribution a further $1.3 million (approx..) was made to the College to support Scholarships and Bursaries and Buildings

The challenge for the future

The funding of scholarships and bursaries to the College remains a priority for the Foundation. Distributions currently fund approximately half the College's commitment to this program. Ideally the Foundation seeks to fully fund all scholarships and bursaries and that is our goal into the future.

To ensure success, fundraising by the Foundation is critical for Xavier College to thrive into the future. The work of the Foundation continues to be vital in securing the Colleges vision and I do invite ongoing and ever widening support from the College community.

I thank all involved for the Foundation's work and success over the past year and invite all members of the Xavier Community to join us in supporting the work of the Xavier Foundation.



Tony Nunan
President
12 October 2017

XAVIER COLLEGE FOUNDATION LIMITED
ABN 52 005 403 476

Principal's Report

As I approach the end of my ninth (and final) year as Principal of Xavier College, I remain indebted of just how supportive of the College the XC Foundation has been over time in its efforts to achieve its objective. As I look and reflect on the wonderful facilities across our three campuses, I am grateful to the generosity of so many in our community to build such a great College.

The objective of the XC Foundation, as defined, is to assist the College Council to preserve, develop and maintain the standards, position and facilities of the College. In practical terms, this means attracting and retaining the continuing interest and financial support of a concerned and interested group of past students, parents and friends. Since the beginning of the XC Foundation in 1978, Xavier College has grown in outstanding facilities because of the generosity of the Foundation. The work has also changed the lives of many fortunate boys to attend the school..

My thanks to those who have served the Foundation well in the past and I am very appreciative to the current Board for their energy, enthusiasm and drive to serve the College in the way Fr Peter Brennan SJ (who initiated the Foundation in 1977) envisioned the future for the College. I also wish to thank the XCF Investment committee for the superb stewardship of the invested funds performance to enable more bursaries and scholarships. The College Council are now in a position to fulfil one of the outstanding projects envisioned in our current Master Plan for our Senior Campus

I would like to thank Tony Nunan for his leadership of the XC Foundation, particularly his encouragement of reviews of its operation. Thankfully, a new Director of Development and Community Relations, Mr Tony Bretherton and Ms Bernadette Batten as Assistant Director also has joined us on staff this year.

I extend my thanks to the XC Foundation Board for their ongoing support of the College. It has been a joy to work with volunteers who bring expertise and passion to enable Xavier College to transform lives.

Dr Christopher Hayes
Principal
12 October 2017

Directors' Report

The Directors make this Report as follows:

In this Report:
"*Annual Report*" means the 2017 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 2017
"*the Directors*" means the Directors of the Foundation
"*year end*" means 30 June 2017
"*the prior year*" means the financial year ended 30 June 2016.

Xavier College Foundation Ltd (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 is 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 Foundation and Ignatius Education Fund was $21.94 million compared with $19.81 million in the previous year. The aggregate of Accumulated Funds of the Foundation and Ignatius Education Fund was $25.82 million compared with $23.73 million, being the same accumulation at the end of the prior year.

During the year a total $2.27 million was paid to Xavier College from the prior year's earnings of the various Funds of the Foundation. The equivalent contribution to the College in the prior year was $2.32 million.

FOUNDATION FUND

Total Members' funds at year end were $19,363,631 being an increase of $1,527,215 on the position at the end of the prior year, due primarily to the increase in the market value of Financial Assets over the year.

Dividends received on investments during the year totalled $727,242 being $190,065 less than receipts in the prior year. Furthermore, unrealised gains on investments were $940,161 compared with unrealised losses in the prior year of $957,429, a positive turnaround of $1,897,590. There was a realised gain on sales of investments of $736,781 compared with a gain of $36,647 in the previous period.

Interest income earned in the year of $136,552 was almost identical with $130,061 in the prior year.

Administration expenses, mainly salary, brokerage and audit costs, incurred by the fund during the year were $96,812 a reduction of $76,932 due to savings in salary costs of $102,320.

Operating result

The operating surplus of the Foundation Fund prior to distribution to Xavier College was $2,422,070 compared with the prior year loss of $25,624, a difference of $2,447,694. This difference is due mainly to the $1,897,590 positive turnaround in market value of investments and gain on sale of investments of $737,781

During the year it was pleasing, under the provisions of the Constitution, to distribute a grant of $894,855 to the College from the prior year's earnings. In the prior year a grant of $1,191,732 was made. After accounting for these grants the net surplus for the year was $1,527,215 compared with the prior year's loss of $1,217,356.

BUILDING FUND

Accumulated Funds at year end of the Xavier College Building Fund, of which the Foundation is a trustee, were $1,840,169 compared with $1,485,592 at the end of the prior year.

Donations, of which $1,207,857 was provided by four estate trusts (prior year $975,219). Audit fees and bank charges met by the Building Fund totalled $2,933.

The Building Fund made payments to Xavier College from the prior year's earnings of $850,690 for general building maintenance costs. Payment of $818,519 was made the prior year.

LIBRARY FUND

Accumulated Funds at year end of the Xavier College Library Fund of which the Foundation is a trustee were $32,479 compared with $14,632 at the end of the prior year.

The Fund received donations in the current year of $20,215 and bank interest of $4. There were no donations received in the prior year and the only income was bank interest of $119. There were no funds distributed to Xavier College by the Library Fund in the current year. $17,179 was distributed in the prior year.

IGNATIUS EDUCATION FUND

Accumulated Funds of the Ignatius Education Fund at year end were $6,455,904 being a net increase of $562,434 on the position at the end of the prior year. The major factors which affected this result were an increase in Current Assets of $569,111, an increase over the year of $349,286 in the market value of investments and the gain on sale of investments of $184,969.

Dividends received on investments during the year totalled $295,602 being $24,735 less than receipts in the prior year. Furthermore unrealised gains on investments were $349,286 compared with unrealised losses in the prior year of $279,208, a positive turnaround of $628,494. However a realised gain on sales of investments was $184,969 compared with a gain of $38,887 in the previous period.

Administration expenses, mainly, brokerage and audit costs, incurred by the fund during the year were $20,208 an increase of $5,161 on the prior year.

Operating result

The operating profit of the Ignatius Education Fund, prior to distribution to Xavier College was $1,091,099 compared with the prior surplus profit of $319,122, an increase of $771,977. This difference is due mainly to the $628,494 positive turnaround in market value of investments, and an increase in the gains from sale of investments of $146,082.

During the year it was pleasing to distribute a total of $528,665 to the College for scholarships and bursaries of $291,614 and the conversion of $75,000 loan to the College into a donation. The total distribution to the College in the prior year was $363,992.

After accounting for these payments the Net Profit for the year was $562,434 compared with a Net Profit of $27,508 in the prior year.

Subsequent events

There have not been any material events subsequent to year end.

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,
- 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.

Auditor's independence declaration

The auditor's independence declaration is included on page 10 of the annual report.

Number of meetings of Directors

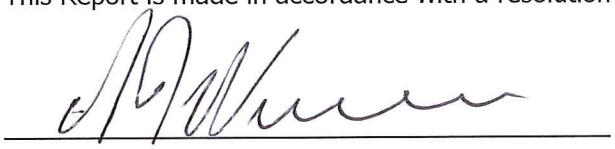
DIRECTOR	MEETINGS ATTENDED	
	A	B
Christopher Callinan	8	7
Stephen Case	8	4
Rose-Mary Cassin	8	8
Patrick Cody	8	7
Paul Ferla	8	7
Dr Christopher Hayes	8	7
Fr Chris Middleton SJ	8	7
Peter Nankivell	8	8
Anthony Nunan	8	7
Peter Walsh	8	7

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 2017 the number of Members was 1,145.

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



Director

Dated this 12th day of October 2017.

Deloitte.

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

Report on the Audit of the Financial Report

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 2017, 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*, including:

(i) giving a true and fair view of the Entity's financial position as at 30 June 2017 and of their 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 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 *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (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 confirm that the independence declaration required by the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the directors of the Entity, would be in the same terms if given to the directors as at the time of this auditor's report.

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

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 director's financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Deloitte.

Other Information

The directors are responsible for the other information. The other information comprises the principal and directors' report included in the financial statements for the year ended 30 June 2017, 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 *Australian Charities and Not-for-profits Commission Act 2012* and is appropriate to meet 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 the directors 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.

Deloitte.

Auditor's Responsibilities for the Audit of the Financial Report (continued)

- 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 the directors.

- Conclude on the appropriateness of the director'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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Entity's audit. We remain responsible for our audit opinion.

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

Gerard Belleville
Partner
Chartered Accountants
Melbourne, 12 October 2017

Deloitte.

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

12 October 2017

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 2017, 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

Gerard Belleville
Partner
Chartered Accountants

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

Melbourne, 12 October 2017

XAVIER COLLEGE FOUNDATION LIMITED
ABN 52 005 403 476

Statement of Profit or Loss and Other Comprehensive Income - Year ended 30 June 2017

	Note	2017 $	2016 $
Income	2	1,012,303	1,069,002
Fair value gain / (loss) on investments		940,161	(957,429)
Realised gain on investments		736,781	36,647
Special Purpose Funds		(170,363)	(100)
Other expenses		(96,812)	(173,744)
Surplus / (loss) from Operations before tax	3	2,422,070	(25,624)
Grants to Xavier		(894,855)	(1,191,732)
Surplus / (loss) for the year		**1,527,215**	**(1,217,356)**
Other comprehensive income		-	-
Total comprehensive surplus / (loss) for the year		**1,527,215**	**(1,217,356)**

The accompanying notes form part of these financial statements.

XAVIER COLLEGE FOUNDATION LIMITED
ABN 52 005 403 476

Statement of Financial Position - as at 30 June 2017

	Note	2017 $	2016 $
Current assets			
Cash and cash equivalents	4	1,061,082	624,630
Receivables	5	237,961	326,984
Financial assets	6	16,188,010	14,856,218
Total current assets		**17,487,053**	**15,807,832**
Non-current assets			
Receivables	5	2,794,174	2,794,174
Total non-current assets		**2,794,174**	**2,794,174**
Total assets		**20,281,227**	**18,602,006**
Current liabilities			
Payables & Accruals	7	917,596	765,590
Total current liabilities		**917,596**	**765,590**
Total liabilities		**917,596**	**765,590**
NET ASSETS		**19,363,631**	**17,836,416**
Members funds			
Accumulated funds		19,363,631	17,836,416
TOTAL MEMBERS' FUNDS		**19,363,631**	**17,836,416**

The accompanying notes form part of these financial statements.

XAVIER COLLEGE FOUNDATION LIMITED
ABN 52 005 403 476

Statement of Cash Flows – Year ended 30 June 2017

	Note	2017 $	2016 $
Cash flows from operating activities			
Receipts from Donors and Members		142,836	21,634
Interest received		136,552	130,061
Payments to Xavier College, Xavier College Building Fund suppliers and employees		(1,010,024)	(1,333,368)
Receipts from investments (dividends and distributions)		821,938	1,011,848
Net cash provided by operating activities	11	91,302	(169,825)
Cash flows from investing activities			
Proceeds from sale of investments		9,076,134	3,401,897
Purchase of investments		(8,730,984)	(3,191,105)
Net cash used in investing activities		345,150	210,792
Net (decrease)/increase in cash held		436,452	40,967
Cash and cash equivalents at the beginning of the financial year		624,630	583,663
Cash and cash equivalents at the end of the financial year	11	1,061,082	624,630

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 2017

	Accumulated funds $	Total $
Balance at 1 July 2015	19,053,772	19,053,772
Surplus for the year	(1,217,356)	(1,217,356)
Transfer to accumulated funds		
Total comprehensive surplus for the year	(1,217,356)	(1,217,356)
Balance at 30 June 2016	**17,836,416**	**17,836,416**
Balance at 1 July 2016	17,836,416	17,836,416
Surplus for the year	1,527,215	1,527,215
Total comprehensive surplus for the year	1,527,215	1,527,215
Balance at 30 June 2017	**19,363,631**	**19,363,631**

The accompanying notes form part of these financial statements.

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

Financial reporting framework
This financial report is a special purpose report prepared for the members of the Foundation to enable compliance with the provisions of the Australian Charities and Not-for-profits Commission Act 2012. The Company 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 12 October 2017.

Statement of compliance
The financial report has been prepared in accordance with the Australian Charities and Not-for-profits Commission Act 2012, the basis of accounting 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 non-current assets and financial instruments that are measured at revalued amounts or 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 Company 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. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of AASB 117.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

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

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.

(b) Financial instruments

Financial assets and financial liabilities are recognised when the Company 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 classified at fair value through profit or loss' (FVTPL), and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on 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 debt instrument, or (where appropriate) a shorter period, to the net carrying amount on initial recognition. Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

Financial assets at FVTPL

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'fair value gain / loss' line item. Fair value is determined in the manner described above.

Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial.

Financial liabilities

Financial liabilities, including trade and other payables, are initially measured at fair value, net of transaction costs. Financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

(c) Income

Income from investments consists of dividends and distributions from investment holdings and net gains (losses) on disposal of investments and is recognised on an accruals basis. 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 and Ignatius Education Fund: Xavier College Foundation Limited acts as trustee for the funds of the Xavier College Building, Library and Ignatius Education Fund which, at year end, had accumulated funds amounting to $1,840,169, $32,479 and $6,455,904 respectively. The accounts of the Xavier College Building, Library, 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.

(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 trustee company'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.

No significant critical accounting judgements have been made during the year.

(h) Critical judgements in applying accounting policies

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. Where Level 1 inputs are not available, the Foundation engages third party qualified valuers to perform the valuation. The investment committee works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

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

The entity has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations.

New and revised Standards and amendments thereof and Interpretations effective for the current half-year that are relevant to the entity include:

- AASB 1057 *Application of Australian Accounting Standards* and AASB 2015-9 *Amendments to Australian Accounting Standards – Scope and Application Paragraphs*
- AASB 2015-2 'Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101'
- AASB 2015-1 'Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle'

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:

Standard/amendment	Effective for annual reporting periods beginning on or after
AASB 9 *Financial Instruments*	30 June 2019
AASB 15 Revenue from Contracts with Customers, 2014-5 *Amendments to Australian Accounting Standards arising from AASB 15,* 2015-8 *Amendments to Australian Accounting Standards – Effective date of AASB 15,* 2016-3 *Amendments to Australian Accounting Standards – Clarifications to AASB 15*	30 June 2020
AASB 16 *Leases*	30 June 2020

The effect of such accounting standards have not yet been determined as at the date of this report.

	2017 $	2016 $
2. Income		
- Net income from investments	727,242	917,307
- Other income	5,673	-
- Interest – related parties (Xavier College)	105,593	107,831
- Interest – other persons	30,959	22,230
- Donations and bequests	142,836	21,634
Total income	**1,012,303**	**1,069,002**
3. Surplus for the year		
Surplus for the year has been determined after charging the following Items of income and expenditure:		
(a) Expenses		
Remuneration of auditor - audit of financial statements	13,500	13,000
The auditor is Deloitte Touche Tohmatsu		
4. Cash and cash equivalents		
St George Bank Account	786,034	578,777
Commonwealth Bank Account	275,048	45,853
	1,061,082	**624,630**

	Note	2017 $	2016 $
5. Receivables			
Sundry Debtors		469	-
Distribution Receivable		61,745	106,645
Accrued interest			11
Imputation credits receivable and tax withheld		173,605	193,015
GST recoverable		2,142	835
Amount due from related entity		-	-
Xavier College		-	26,477
		237,961	**326,984**
Non-current			
Amount due from related entity – Xavier College		2,794,174	2,794,174
Total non-current receivables		**2,794,174**	**3,121,157**
Total receivables		**3,032,135**	**3,448,141**
6. Financial assets			
At fair value	1(b)	16,188,010	14,856,218
		16,188,010	**14,856,218**

(a) Investments

	2017 Cost $	2017 Market $	2016 Cost $	2016 Market $
Shares listed on Australian Stock Exchange	13,627,477	14,484,628	7,883,805	7,478,431
Managed funds	1,620,373	1,703,382	7,929,841	7,377,787
	15,247,850	**16,188,010**	**15,813,646**	**14,856,218**

	Note	2017 $	2016 $
7. Payables			
Current			
Creditors & Accruals		83	32
Provisions for Audit Fees		13,450	13,650
Special Purpose Funds			
Brian Condon Bequest		862,330	718,603
Held in trust for Xavier College			
Rowing Department		9,302	16,757
Xavier Football		3,869	-
Sundry Creditors			
Xavier College		28,126	14,426
Xavier College Building Fund		390	301
Ignatius Education Fund		46	1821
		917,596	**765,590**

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 2017 the number of Members was 1,145.

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.

	Note	2017 $	2016 $
11. Cash flow 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	1,061,082	624,630
(b) Reconciliation of cash flows from operations with surplus for the year:			
Surplus for the year		1,527,215	(1,217,356)
Non-cash flows in operating profit:			
Unrealised (gain) / loss on fair value investments		(940,161)	957,429
Realised gain on disposal of investments		(736,781)	(36,647)
Changes in assets and liabilities:			
Decrease in receivables		89,023	94,541
(Decrease) / increase in payables		152,006	32,208
Cash flow from operating activities		**91,302**	**(169,825)**

(a) Credit standby arrangements
The company has no credit facilities or standby arrangements.

12. Subsequent events

There have not been any material subsequent events since year end.

The Building, Library and Ignatius Education Fund are of a type identified in the Statement of Accounting Concepts 1 as 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. The financial statements are compiled on a going concern basis adopting the principles of historical cost accounting.

		Building Fund ABN 60 814 757 106		Library Fund ABN 52 005 403 476		Ignatius Education Fund ABN 13 248 983 008	
	Note	2017 $	2016 $	2017 $	2016 $	2017 $	2016 $
Current assets							
Cash	2	1,881,934	1,515,623	37,432	17,631	599,484	812,870
Receivables	3	694	1,078	234	403	118,274	129,980
Investments	4	-	-		-	5,748,383	4,954,180
Total current assets		**1,882,628**	**1,516,701**	**37,666**	**18,034**	**6,466,141**	**5,897,030**
Total assets		**1,882,628**	**1.516,701**	**37,666**	**18,034**	**6,466,141**	**5,897,030**
Current liabilities							
Payables	5	42,459	31,109	5,187	3,402	10,237	3,560
Total current liabilities		**42,459**	**31,109**	**5,187**	**3,402**	**10,237**	**3,560**
Net assets		**1,840,169**	**1,485,592**	**32,479**	**14,632**	**6,455,904**	**5,893,470**
Equity							
Accumulated funds		1,840,169	1,485,592	32,479	14,632	6,455,904	5,893,470

The accompanying notes form part of these accounts.

XAVIER COLLEGE FOUNDATION LIMITED
ABN 52 005 403 476

Directors' declaration – Year ended 30 June 2017

	Building Fund ABN 60 814 757 106		Library Fund ABN 52 005 403 476		Ignatius Education Fund ABN 13 248 983 008	
Income	**2017**	**2016**	**2017**	**2016**	**2017**	**2016**
	$	$	$	$	$	$
Donations	1,207,857	975,219	20,215	-	269,649	245,594
Bank Account Interest	343	4,942	4	119	11,801	8,559
Dividends & Investment Interest	-	-	-	-	295,602	320,337
Net Profit/(Loss) on Investment						
Realised	-	-	-	-	184,969	38,887
Unrealised	-	-	-	-	349,286	(279,208)
	1,208,200	**980,161**	**20,219**	**119**	**1,111,307**	**334,169**
Less Expenses						
Audit Fees	(2,000)	(3,152)	(2,000)	(3,360)	(6,000)	(2,629)
Administration	(933)	(478)	(372)	(770)	(14,208)	(12,428)
	(2,933)	**(3,630)**	**(2,372)**	**(4,130)**	**(20,208)**	**(15,047)**
Operating Surplus/(loss)	**1,205,267**	**976,531**	**17,847**	**(4,011)**	**1,091,099**	**319,122**
Less Grants to Xavier	(850,690)	(818,519)	-	(17,179)	(528,665)	(291,614)
Surplus/(loss) for the Year	**354,577**	**158,012**	**17,847**	**(21,190)**	**562,434**	**27,508**

	Building Fund ABN 60 814 757 106		Library Fund ABN 52 005 403 476		Ignatius Education Fund ABN 13 248 983 008	
	2017	2016	2017	2016	2017	2016
2. Cash	$	$	$	$	$	$
Cash in Bank	1,881,934	1,515,623	37,432	17,631	599,484	812,870
Cash in transit	-	-		-	-	-
	1,881,934	**1,515,623**	**37,432**	**17,631**	**599,484**	**812,870**
3.Receivables						
Loan to Xavier College		-	-	-	-	-
Xavier College	304	304	-	211	-	315
Ignatius Edu Fund	-	200	-	-	-	-
Building Fund		-	188	188	36,779	27,530
Endowment Fund	390	302	46	-	-	1,821
Distributions receivable	-	-	-	-	10,855	33,218
Accrued Interest	-	272	-	4	-	-
Tax credits recoverable	-	-	-	-	70,640	67,096
	694	**1,078**	**234**	**403**	**118,274**	**129,980**
4.Investments						
Listed Securities	-	-	-	-	5,269,892	4,070,454
Managed Funds	-	-	-	-	478,491	883,726
	-	**-**	**-**	**-**	**5,748,383**	**4,954,180**
5.Payables						
Xavier College	3,360	-	3,149	-	3,045	-
Endowment Fund		-	-	-	469	-
Ignatius Fund	36,779	27,530	-	-	-	-
Library Fund	188	188	-	-	-	-
Building Fund	-	-	-	3,402	-	3,360
Audit Fees	2000	3360	2000	-	6,000	-
other	132	31	38	-	723	200
	42,459	**31,109**	**5,187**	**3,402**	**10,237**	**3,560**

XAVIER COLLEGE FOUNDATION LIMITED
ABN 52 005 403 476

Directors' declaration – Year ended 30 June 2017

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 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 12th day of October 2017

XAVIER
FOUNDATION

XAVIER COLLEGE
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