



EDMUND RICE EDUCATION
AUSTRALIA

The Trustees of Edmund Rice Education Australia

Annual Financial Report 2024

The Trustees of Edmund Rice Education Australia

Consolidated Financial Statements For the Year Ended 31 December 2024

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The Trustees of Edmund Rice Education Australia
Consolidated Group
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 December 2024

	Notes	2024 \$	2023 \$
REVENUE AND INCOME			
Revenue and income	3	1,261,074,142	1,167,402,974
Income from capital grants	3	5,977,424	11,875,403
Income from other activities	3	10,440,713	8,127,251
Total Revenue and income		1,277,492,279	1,187,405,628
EXPENSES			
Faculties & co-curricular expenses		74,901,024	72,398,415
Employee benefits	4	819,498,263	746,321,089
Finance costs		17,335,091	14,872,633
Property expenses		59,171,837	56,150,536
Administration expenses		140,689,034	123,826,621
Depreciation and amortisation expenses		92,475,165	88,625,015
Impairment		15,755,009	2,794,938
Trading activities		17,218,833	17,368,708
Other expenses		2,720,973	2,122,236
Total expenses		1,239,765,229	1,124,480,191
Profit for the year		37,727,050	62,925,437
OTHER COMPREHENSIVE LOSS			
Other comprehensive loss for the year		(1,399,014)	(3,934,562)
Total comprehensive income for the year		36,328,036	58,990,875

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes

The Trustees of Edmund Rice Education Australia
Consolidated Group
Statement of Financial Position
as at 31 December 2024

	Notes	2024 \$	2023 \$
ASSETS			
Current assets			
Cash and cash equivalents	5	345,528,607	285,856,432
Trade and other receivables	6	32,749,706	26,842,407
Inventories		3,591,856	4,052,394
Other current assets		19,137,624	16,844,017
Financial assets	7	37,973,097	65,336,558
Total current assets		438,980,890	398,931,808
Non-current assets			
Trade and other receivables	6	7,753,525	8,601,765
Financial assets	7	23,236,102	15,130,554
Property, plant and equipment	8	2,477,170,630	2,435,561,546
Intangible assets – goodwill		440,000	440,000
Total non-current assets		2,508,600,257	2,459,733,865
Total assets		2,947,581,147	2,858,665,673
LIABILITIES			
Current liabilities			
Trade and other payables	9	105,359,386	92,092,839
Financial liabilities	10	52,164,454	42,791,724
Provisions	11	115,455,877	116,316,217
Other liabilities	12	59,520,506	47,862,264
Total current liabilities		332,500,223	299,063,044
Non-current liabilities			
Financial liabilities	10	270,696,073	259,618,794
Provisions	11	12,905,952	10,202,258
Other liabilities	12	22,435,047	17,065,761
Total non-current liabilities		306,037,072	286,886,813
Total liabilities		638,537,295	585,949,857
Net assets		2,309,043,852	2,272,715,816
EQUITY			
Retained surplus	13	2,226,221,549	2,188,479,971
Reserves	13	82,822,303	84,235,845
Total equity		2,309,043,852	2,272,715,816

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

The Trustees of Edmund Rice Education Australia
Consolidated Group
Statement of Changes in Equity
For the year ended 31 December 2024

	Retained Surplus	Reserves	Total Equity
	\$	\$	\$
Balance at 1 January 2023	2,129,074,424	84,650,517	2,213,724,941
Total comprehensive income	58,990,875	-	58,990,875
Profit transferred from reserve	(3,519,890)	3,519,890	-
Movements in reserves	3,934,562	(3,934,562)	-
Balance at 31 December 2023	2,188,479,971	84,235,845	2,272,715,816
Balance at 1 January 2024	2,188,479,971	84,235,845	2,272,715,816
Total comprehensive income	36,328,036	-	36,328,036
Loss transferred to reserve	14,528	(14,528)	-
Movements in reserves	1,399,014	(1,399,014)	-
Balance at 31 December 2024	2,226,221,549	82,822,303	2,309,043,852

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

The Trustees of Edmund Rice Education Australia
Consolidated Group
Statement of Cash Flows
For the year ended 31 December 2024

	Notes	2024 \$	2023 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		596,372,519	570,077,028
Receipts from government		690,498,583	655,307,411
Payments to suppliers and employees		(1,117,614,452)	(1,049,783,772)
Interest received		13,743,546	11,111,103
Interest costs paid		(17,335,091)	(14,872,634)
Net cash generated from operating activities	14	165,665,105	171,839,136
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		7,844,177	1,612,114
Payments for property, plant and equipment		(160,874,991)	(179,606,548)
Proceeds from sale of investments		13,516,075	510,873
Payments for investments		(3,563,395)	(4,812,951)
Net cash used in investing activities		(143,078,134)	(182,296,512)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		73,667,193	72,603,256
Repayment of borrowings		(32,893,850)	(51,281,016)
Repayments of lease commitments		(3,688,139)	(7,083,854)
Net cash from financing activities		37,085,204	14,238,386
Net increase in cash held		59,672,175	3,781,010
Cash and cash equivalents at the beginning of the year		285,856,432	282,075,422
Cash and cash equivalents at the end of the year	5	345,528,607	285,856,432

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

1. GENERAL INFORMATION

Edmund Rice Education Australia was established to ensure the continuation of the Charism of Blessed Edmund Rice in the educational mission of the Catholic Church, especially through its schools governed and conducted in the Edmund Rice tradition.

In accordance with the norms of canon law, Edmund Rice Education Australia was constituted as a Public Juridical Person (PJP) within the Catholic Church on 20 September 2012 and carries on its mission in the name of the Church.

Edmund Rice Education Australia (EREA) is regulated by its own Statutes approved by the Holy See on 20 September 2012 and an Agreement (Agreement) was formally entered into between the Trustees of Christian Brothers Oceania Province (TOCB) and the Trustees of Edmund Rice Education Australia (TEREA). The Members of Edmund Rice Education Australia, also referred to in the statutes as the EREA Council (Council), are the group of persons holding ultimate responsibility for ensuring that all schools and other apostolic activities of Edmund Rice Education Australia are conducted in conformity with the beliefs, teachings and laws of the Church.

As of 31 December 2022, schools were managed and operated by TEREA. As part of EREA's regeneration, a new incorporated governance structure took effect on 1 January 2023. From that date, Edmund Rice Education Australia Ltd (EREA Ltd) was established as a subsidiary with TEREA as its sole member. Under EREA Ltd, three new subsidiaries assumed oversight of schools: Edmund Rice Education Australia Colleges Ltd, Edmund Rice Education Australia New South Wales Colleges Ltd, and Edmund Rice Education Australia Flexible Schools Ltd (EREA Flexi Schools Ltd).

The Flexi Schools (excluding those in Victoria) and the two Special Schools were transferred to EREA Flexible Schools Ltd. The seven NSW Colleges moved to EREA NSW Colleges Ltd, while seventeen Colleges across Queensland, Western Australia, South Australia, Tasmania, and the ACT were transferred to EREA Colleges Ltd. Operations continued seamlessly under School Transfer Agreements, which outlined the transfer of buildings, assets, and liabilities from the Proprietor to each new entity. Effective 1 January 2023, long-term Lease Agreements were executed, granting each Company occupancy of the respective school land.

In December 2023, St Kevin's College Ltd was established as a new subsidiary and assumed responsibility for managing and operating St Kevin's College. At that time, TEREA and St Kevin's College Ltd entered into a School Transfer Agreement outlining the transfer of school buildings, operational assets, and liabilities from the Proprietor to the Company. Under this agreement, TEREA agreed to hold the school land in trust for St Kevin's College Ltd, formalising the land transfer arrangement.

In 2023, schools in Victoria continued to be managed by TEREA. Following Victorian Registration and Qualifications Authority (VRQA) approval, they transitioned to a new governance structure under Edmund Rice Education Australia Victorian Schools Ltd, with TEREA as its sole member.

On 1 January 2024, all staff previously employed by EREA Ltd were transferred to the TEREA. From that date, all services formerly provided by EREA Ltd to its governing bodies, schools, and entities have been assumed by TEREA under a new operating model. While EREA Ltd temporarily remained the sole member of Edmund Rice Education Australia Colleges Ltd, EREA NSW Colleges Ltd, and EREA Flexible Schools Ltd, this arrangement was transitional.

As part of the final phase of TEREA's governance reform, significant changes took effect on 1 June 2024. Governance arrangements across all TEREA Governing Boards were aligned, and TEREA, already the Member of EREA Victorian Schools Ltd and St Kevin's College Ltd, assumed membership of EREA Colleges Ltd, EREA Flexible Schools Ltd, and EREA NSW Colleges Ltd. At the same time, EREA Ltd ceased operations and will shortly apply for voluntary deregistration with ASIC.

Basis of preparation

These general purpose financial statements have been prepared in accordance with the Australian Charities and Not-for-Profits Commission Act 2012 and Australian Accounting Standards – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities, Australian Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board. The entity is a not-for-profit body for the purpose of preparing financial statements under Australian Accounting Standards.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

Reporting basis and conventions

The financial statements have been prepared on a going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The financial statements have been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets, non-current liabilities and financial liabilities.

The financial statements are prepared in accordance with the measurement and recognition of all Australian Accounting Standards.

Presentation currency

The presentation currency used in these financial statements, which is the same as the Group's functional currency, is Australian dollars.

New or amended Accounting Standards and Interpretations adopted

EREA has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. There were no new Standards or Interpretations that had a material effect on these financial statements.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The Group has considered Accounting Standards and Interpretations which have been issued but are not yet mandatory and has not identified any that will have a material impact on the financial statements.

2. MATERIAL ACCOUNTING POLICIES

The following is a summary of the material accounting policies adopted by EREA in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

Income tax

No provision for income tax has been raised as EREA is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

Goods and services tax (GST)

Revenues, expenses and assets are recognised net of GST, except for Receivables and Payables which are stated with the amount of GST included. GST receivable from and payable to the Australian Taxation Office (ATO) is included in the Statement of Financial Position. Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the ATO are classified as operating cash flows.

Critical accounting estimates and judgements

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgments and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgments, estimates and assumptions on historical experience and other various factors, including expectations of future events that management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgments, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical judgments:

Consolidation

The financial statements cover the consolidated group of EREA as an individual entity and its controlled member entities. The separate financial statements of the individual entity have been summarized and presented within these financial statements as permitted. The financial details of the parent entity are disclosed at Note 15.

The consolidated financial statements incorporate the assets liabilities and results of entities controlled by EREA at the end of the reporting period. A controlled entity is a direct College, educational and restricted use bodies such as Foundations, Parents and Friends Association and Building Funds over which EREA has the power to govern the financial and operating policies so as to obtain benefits from its activities.

All inter-company balances and transactions are eliminated on consolidation. Accounting policies are consistent across all controlled entities and the parent entity.

Economic dependency

The Group is dependent upon the ongoing receipt of Federal and State government grants to ensure the ongoing continuance of its educational facilities. At the date of this report, the Group has no reason to believe that this financial support will not continue.

Key estimates:

Expected credit loss

Current trade receivables are generally on a school term basis and the school uses 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 school uses its historical experience, external indicators, and forward-looking information to calculate the expected credit losses using a provision matrix. These amounts have been included in administration expense items.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Group estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Impairment of assets

The entity assesses impairment at each reporting date by evaluating conditions specific to the entity that may lead to impairment of assets. Where an impairment indicator exists, the recoverable amount of the asset is determined, being the higher of the asset's 'fair value less costs to sell' and 'value in use'. Any excess of the asset's carrying value over its recoverable amount is recognised in the statement of profit or loss and other comprehensive income as an impairment expense.

As the future economic benefits of the school's property, plant and equipment is not primarily dependent on their ability to generate net cash inflows, and the entity would replace the remaining future economic benefit of the asset if deprived of those assets, value in use of an asset is determined as its current replacement cost. Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In the current year, no indicators of impairment were identified for any assets except for those at Edmund Rice College Bindoon, where an impairment loss of \$15,022,570 was recognised. This loss related to buildings that were found to be in serious disrepair and no longer suitable for their intended use. The impairment assessment, conducted in accordance with AASB 136 Impairment of Assets, determined that the carrying amount of the buildings exceeded their recoverable amount. The valuation, performed independently, was based on fair value less costs of disposal and reflected the significant deterioration of the facilities. As the school is currently closed, management is actively exploring options regarding its future operation.

Long-service leave

The liability for employee benefits expected to be settled more than 12 months from the reporting date is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account. Changes in data used in the present value model can result in either a positive (gain) or negative (loss) impact on the provision which is recognised through profit or loss.

Classification between current and non-current liability is subject to the portability arrangements within the Catholic Education system.

Reimbursement assets

A number of the Group's schools are Participant Employers of the Catholic Education Long Service Leave Scheme (Vic LSL Scheme) in Victoria. As Participant Employers, the schools contribute an annual levy to the Scheme in respect of its Victorian employees. The annual levy is equivalent to 2.6% of salaries and wages paid over the two preceding years. Pursuant to clause 14.3 of the Scheme Rules, the Vic LSL Scheme has an obligation to Participant Employers to pay from the Scheme, benefits to them as a reimbursement for long service leave paid or payable to their employees. In accordance with the Scheme Rules, the Participant Employers remain legally responsible for long service leave obligations. Notwithstanding this, in accordance with Australian Accounting Standards, given the existence of the Scheme and the rules of the Scheme, where the long service leave obligation will be reimbursed by the Scheme, a reimbursement asset is recognised when and only when the reimbursement is virtually certain. Accounting standards specifically require the reimbursement to be treated as a separate asset that shall not exceed the value of the provision. At the year-end date, the school has no reason to believe that the Scheme will not meet its obligations under the agreement with the school as employer.

A provision for long service leave has been recognised at the present value of the long service leave obligation.

Useful lives of property, plant and equipment

The Group reviews the estimated lives of property, plant and equipment at the end of each reporting period. The useful lives could change significantly as a result of regulatory changes and industry practices associated with operational safety, technical innovations or some other event.

3. REVENUE AND INCOME

	2024	2023
	\$	\$
Revenue and income		
Commonwealth Government grants	530,199,546	494,519,656
State Government grants	142,845,443	134,025,504
Fees and levies	518,730,309	477,379,027
Trading activities - gross income	30,541,531	27,554,676
Grants from other organisations	206,174	180,869
Donations	3,414,852	5,838,189
Gain on disposal of non-current assets	-	1,377,673
Interest received	13,743,546	11,111,105
Capital gain on investments - realised and unrealised	-	289,347
Sundry income	21,392,741	12,114,575
Rental income	-	3,012,353
Total revenue and income	1,261,074,142	1,167,402,974
Income from capital grants		
Commonwealth Government grants	2,795,649	2,262,714
State Government grants	3,181,775	9,612,689
Other organisations	-	-
Total income from capital grants	5,977,424	11,875,403
Income from other activities		
Other significant income	1,952,793	2,475,014
P & F donations	-	269,860
Member entities Foundation donations	-	1,920,009
Building Fund donations	4,164,042	3,120,824
Other	4,323,878	341,544
Total income from other activities	10,440,713	8,127,251
Total revenue and income	1,277,492,279	1,187,405,628

Revenue and income

Revenue arises mainly from:

- fees raised in the provision of tuition for students within the year;
- fees charged when an application is received to place a prospective student on a waiting list to be considered for admission in their desired year; and
- fees charged when an offer of enrolment is accepted by a prospective student.

To determine whether to recognise revenue, the School follows a 5-step process:

1. Identifying the contract with a parent / guardian / student;
2. Identifying the performance obligations;
3. Determining the transaction price;
4. Allocating the transaction price to the performance obligations; and
5. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is recognised either at a point in time or over time, when or as the school satisfies performance obligations by transferring the promised goods or services to its customers.

EREA recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, a performance obligation is satisfied before it receives the consideration, either a contract asset or a receivable is recognized in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

Tuition fees

Revenue from the provision of tuition for a fixed fee is recognised over time or when the performance obligation to the student is satisfied.

Application fees

Fees derived by the provision of administration services when students are placed on a waiting list. Such fees are considered not to contain performance obligations and therefore are considered to be income recognised immediately.

Confirmation fees

Fees are considered to be applicable to the provision of tuition fees delivered over the years or time the student receives tuition. The income is considered to be earned over the time of the contract, whether formalised or implied, if there is no requirement to remit the fee once student has concluded their schooling. If there is a requirement to remit the fee in a way at the discretion of the fee-paying parent, the income is considered to be earned at that point in time.

Bequest and donations

Bequests and Donation income is recognised when received as there are no “sufficiently specific” promises for the school to transfer goods or services to the customer or third-party beneficiaries.

Government grants

Government grants are recognised as revenue when the school obtains control over them, which is usually upon receipt of funds as there are no “sufficiently specific” promises to be delivered.

Capital grants

Capital grants received are tied to specific projects for the construction, replacement or upgrade of existing noncurrent assets. This does not fall within the scope of AASB 15 given the asset is for a school's own use. However, AASB 1058 will require a school to defer income until it has acquired or constructed the asset in accordance with the terms of the transfer.

Revenue and capital grants

Grants received from Federal and State governments, consists of:

- Recurrent grants – funds received on a yearly basis subject to the funding guidelines of the relevant statutory bodies, to provide operational educational facilities such as wages for teaching and administration staff; and
- Capital grants – funds received to assist in the provision of capital improvements, such as infrastructure, which may traverse accounting periods.

Schools, colleges and flexible learning centres receive government grant monies to fund projects either for contracted periods of time or for specific projects irrespective of the period of time required to complete those projects.

These contributions are considered non-reciprocal transfers and are recognised as income when three conditions have been met:

- control of the contribution or right to receive the contribution has been obtained;
- probability that the future economic benefits will flow; and
- the amount of the contribution can be measured reliably.

Fees and levies

Represent fees and where applicable levies charged to parents in respect of education of students.

Revenue is brought to account upon the issue of fee account invoices, with the exception of where fee accounts are issued in advance of the particular school term. In these instances, such revenue is deferred until the term when education is delivered.

Trading activities

Gross income recorded in respect of the operations of facilities such as canteens, uniform shops, and libraries. These facilities may be operated by paid or volunteer staff.

Revenue from the sale of goods is recognised upon delivery of goods to students and families.

Interest received

Monies earned from the investment of funds with banking institutions.

Income from other activities

Significant income

Other monies received in relation to third party matters such as receipt of funds from an insurance claim.

Member entities foundation donation

Income recorded in respect of donations made by external Foundations considered not controlled by EREA but associated with a college.

Building Fund donations

Receipt of specified and directed funds received by individual Colleges in respect of third party donations to building and other funds operated within a college, and which is treated as a deductible gift, by the Australian Taxation Office (ATO)

4. EMPLOYEE BENEFITS

	2024	2023
	\$	\$
Salaries and allowances	711,765,640	654,776,503
Superannuation	86,790,864	72,025,268
Other	20,941,759	19,519,318
Total employee benefits	819,498,263	746,321,089

Superannuation

The amount charged to the statement of profit or loss and other comprehensive income in respect of superannuation represents contributions made or due by TERE A to the relevant superannuation plans in respect to the services of TERE A's staff (both past and present). Superannuation contributions are made to the plans based on the relevant rules of each plan, the enterprise bargaining agreements entered into by TERE A, and any relevant compulsory superannuation requirements that TERE A is required to comply with.

5. CASH AND CASH EQUIVALENTS

	2024	2023
	\$	\$
Cash on hand	87,481	568,718
Cash at bank	360,153,731	289,915,575
Bank overdraft	(14,712,605)	(4,627,861)
Total cash and cash equivalents	345,528,607	285,856,432

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks or Catholic Development Funds, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts where a right of offset exists with the same institution.

Catholic Development Funds do not obtain the benefit of the depositor protection provisions of the Banking Act 1959.

6. TRADE AND OTHER RECEIVABLES

		2024	2023
		\$	\$
Trade receivables			
Current	(i)	36,694,620	22,873,564
Less allowance	(iii)	(15,454,216)	(8,746,740)
Total current trade receivables		21,240,404	14,126,824
Non-current	(ii)	13,857,854	18,853,506
Less allowance	(iii)	(6,807,478)	(11,268,859)
Total non-current trade receivables		7,050,376	7,584,647
Total trade receivables		28,290,780	21,711,471
Other receivables			
Current - GST		4,089,330	3,642,905
Current - other		7,419,972	9,072,678
Total current other receivables		11,509,302	12,715,583
Non-current - other		703,149	1,017,118
Total non-current other receivables		703,149	1,017,118
Total other receivables		12,212,451	13,732,701
Total trade and other receivables		40,503,231	35,444,172
Summary			
Current		32,749,706	26,842,407
Non-current		7,753,525	8,601,765
Total trade and other receivables		40,503,231	35,444,172

Trade receivables

Current trade receivables are generally on a school term basis. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Loss Allowance

The group applies the Accounting Standard AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of prior years loss rates.

The expected loss rates are based on the payment profiles over a period of 5 years. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the parent to settle the receivables.

- (i) **Current trade receivables**
Current trade receivable represents those school fees and levies which are considered collectable by 31 December 2024.
- (ii) **Non-current trade receivables**
Non-current trade receivables represent those fees and levies which are subject to repayment plans, other debt management arrangements and those monies considered not collectable in the forthcoming year. These funds are deemed collectable after 31 December 2024.
- (iii) **Loss allowance**
Management of the member entities has determined that the recoverability of a portion of the trade receivables at year end is uncertain hence an allowance for impairment has been made. All impairment calculations are based on commercial assessment criteria, including ageing, billing and collections procedures and prevailing trends.

7. FINANCIAL ASSETS

	2024	2023
	\$	\$
Current		
Financial assets at fair value through profit or loss	4,273,716	16,662,137
Financial assets at amortised cost – term deposit	7,366,786	21,469,228
Financial assets at amortised cost - right to reimbursement of LSL	26,332,595	27,205,193
Total current financial assets	37,973,097	65,336,558
Non-current		
Financial assets at fair value through profit or loss	14,601,959	13,765,344
Financial assets at amortised cost – term deposit	7,518,207	1,365,210
Financial assets at amortised cost - right to reimbursement of LSL	1,115,936	-
Total non-current financial assets	23,236,102	15,130,554
Total current and non-current financial assets	61,209,199	80,467,112

Financial instruments

Initial recognition and measurement

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

For financial assets this is equivalent to the date that the entity commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified at "fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

Financial assets at amortised cost

The group classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest

Classification of financial assets at fair value through profit or loss

The group classifies the following financial assets at fair value through profit or loss (FVPL):

- debt investments that do not qualify for measurement at either amortised cost or fair value through other comprehensive income (FVOCI);
- equity investments that are held for trading; and
- equity investments for which the entity has not elected to recognise fair value gains and losses through other comprehensive income (OCI).

Right to reimbursement of LSL

Right to reimbursement of LSL represent funds invested by participating Victorian Colleges in the Victorian Catholic Schools Long Service Leave Scheme regarding long service leave entitlements. Victorian Catholic Schools Long Service Leave Scheme, which administers and manages the Scheme assets and provides a construct to provide portability of long service leave across the Victorian Catholic Education sector. The rules of the Scheme state employees' long service leave rests with the Participant Employer. A provision for long service leave has been recognised at the present value of the long service leave obligation.

8. PROPERTY, PLANT & EQUIPMENT

	2024	2023
	\$	\$
Land		
Freehold land – at cost	1,030,236,587	1,015,626,351
Total land	1,030,236,587	1,015,626,351
Building and improvements		
Buildings and improvements - at cost	2,032,481,818	1,876,690,746
Depreciation	(778,617,200)	(714,449,935)
Total buildings and improvements	1,253,864,618	1,162,240,811
Plant and equipment		
Plant and equipment - at cost	352,873,607	323,608,015
Depreciation	(240,206,448)	(220,164,027)
Total plant and equipment	112,667,159	103,443,988
Right-of-use assets		
Right-of-use assets – at cost	53,146,890	56,721,256
Amortisation	(24,773,418)	(20,740,798)
	28,373,472	35,980,458
Capital works in progress		
Buildings	50,397,586	117,364,606
IT projects	1,631,208	905,332
Total capital works in progress	52,028,794	118,269,938
Total property, plant and equipment	2,477,170,630	2,435,561,546

Movements in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

	Freehold land	Buildings	Plant and equipment	Right-of-use assets	Works in Progress	Total
	\$	\$	\$	\$	\$	\$
2024						
Balance at the beginning of the year	1,015,626,351	1,162,240,811	103,443,988	35,980,458	118,269,938	2,435,561,546
Additions at cost	14,610,236	29,546,840	37,859,624	10,432,956	77,035,724	169,485,380
Work in progress transfers	-	132,268,574	8,197,213	-	(140,465,787)	-
Disposals	-	(3,994,521)	(12,998,024)	(13,241,507)	(2,872,460)	(33,106,512)
Depreciation on disposal	-	868,297	10,084,780	2,445,935	61,379	13,460,391
Depreciation expense	-	(51,263,980)	(33,966,816)	(7,244,370)	-	(92,475,166)
Impairment	-	(15,801,403)	46,394	-	-	(15,755,009)
Carrying amount at year end	1,030,236,587	1,253,864,618	112,667,159	28,373,472	52,028,794	2,477,170,630

8. PROPERTY, PLANT & EQUIPMENT (CONT'D)

Property, plant and equipment

Each class of property, plant and equipment is carried at cost as indicated, less, where applicable, accumulated depreciation and impairment losses.

Freehold land

Land transferred in previous years by TOCB under an agreement which identifies the rights of each party, together with land purchased by individual schools.

The fair value of land transferred from TOCB in 2017 and past years, was determined by an independent valuer and is now deemed to be at cost.

Buildings and improvements

Buildings represent assets utilised in its operation. There are buildings located on land, which is currently owned and registered to the TOCB Australia, or in limited circumstances other Catholic Church bodies. There is an agreement in place to allow EREA to govern and manage the education facilities located on such land.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses. Plant and equipment includes motor vehicles.

For plant and equipment that have been contributed at no cost or for nominal cost, its fair value as at the date of acquisition is considered as its cost.

Right-of-use assets

EREA measures the right-of-use assets at an amount equal to the lease liability adjusted for any prepaid or accrued lease payments that existed at the date of transition.

Depreciation

The depreciable amount of all property, plant and equipment including buildings and capitalised lease assets is depreciated on a straight-line basis over the asset's useful life to EREA from the time the asset is available for use. Right-of-use assets and leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. The unexpired period of the lease includes any option period where exercise of the option is probable.

The depreciation rates (based on a useful life assessment of years) for each class of depreciable assets are:

Class of Fixed Assets	Depreciation Rate
Buildings and improvements	2.50%
Plant and equipment	20-33.33%

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income.

Land asset provided as collateral

Title to parcels of land is held as security by financiers such as Catholic Development Funds.

The Catholic Development Funds hold sufficient land titles to cover the debts owing.

9. TRADE AND OTHER PAYABLES

	2024	2023
	\$	\$
Current		
Trade payables	30,055,972	27,868,820
Other current payables	75,303,414	64,224,019
Total trade and other payables	105,359,386	92,092,839

Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by EREA during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. The trade and other payables are unsecured.

Other payables include accrued annual leave.

10. FINANCIAL LIABILITIES

		2024	2023
		\$	\$
Current			
Lease liability - secured	9(a)	7,620,135	6,601,938
Chattel mortgages - secured		81,882	361,688
Loan - unsecured		3,060,174	2,674,652
Loan - secured		41,402,263	33,153,446
Total current borrowings		52,164,454	42,791,724
Non-current			
Lease liability - secured	9(a)	16,115,288	24,468,249
Chattel mortgages - secured		115,399	1,458,062
Loan - unsecured		2,700,532	250,000
Loan - secured		251,764,854	233,442,483
Total non-current borrowings		270,696,073	259,618,794
Total current and non-current borrowings		322,860,527	302,410,518
		2024	2023
		\$	\$
9 (a) Lease commitments			
Payable - minimum lease payments			
- not later than 12 months		7,620,135	6,601,938
- later than 1 year but not later than 5 years		13,569,631	20,603,114
- later than 5 years		3,518,783	5,342,658
Less future finance charges		(973,127)	(1,477,523)
Total lease commitments		23,735,422	31,070,187
Allocated			
Current		7,620,135	6,601,938
Non-current		16,115,287	24,468,249
Total lease commitments		23,735,422	31,070,187

Loan liabilities – secured

Secured loans obtained by schools and colleges, are entered into with the Catholic Development Funds (CDF) or Commercial Financial Institutions, in the name of TERE. Security is provided to all financial institutions, and in respect of the CDF, by the Trustees over nominated parcels of land; such land may not be applicable to the borrowing college.

These member entity loans are for a variety of terms at variable interest rates.

Loan liabilities – unsecured

Unsecured loan liabilities are owing to various parties and are repayable on agreed terms at various rates.

Lease liabilities and chattel mortgages

Lease liabilities and chattel mortgages are secured by the underlying leased assets and repayable in accordance with the terms of the various agreements.

Information relating to leases

The lease liabilities in the main relate to motor vehicles, office print equipment and computer facilities utilised throughout the educational facilities. The leases are secured, as noted above, the lease terms mainly approximate three to five years, and the interest rates represent normal commercial arrangements with suppliers.

11. PROVISIONS

	2024	2023
	\$	\$
Current provisions		
Long service leave provisions	112,459,929	112,787,697
Other provisions	2,995,948	3,528,520
Total current provisions	115,455,877	116,316,217
Non-current provisions		
Liability for purchase of controlled land	10,168,400	10,168,400
Other provisions	2,737,552	33,858
Total non-current provisions	12,905,952	10,202,258
Total provisions	128,361,829	126,518,475
Number of employees (FTE)	7,291	7,104

Long service leave provisions

The method of calculation of the liability which extends over a period greater than a year, conforms to the Australian Accounting Standards, which essentially requires the future expected costs to be estimated and then be discounted to today's present value.

Several estimations and assumptions used in calculating long service leave provision include expected future salary rates, discount rates, employee retention rates and expected future payments. Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision.

However, within the Catholic Education environment, of which EREA forms a part, long service leave is portable and follows the employee if they move between Catholic Education bodies. Consequently, the concept of transportability within the Catholic Education system has an overreaching position and as payment is not able to be deferred and payable at a point in time, the net present value of the estimated liability has been shown as a Current Liability.

Liability for purchase of non-footprint land

Through the Agreement regarding land contributed to EREA between the TOCB and of EREA, certain land on which title has been transferred to EREA, and for which EREA has become responsible for the maintenance, upkeep and any necessary development, the TOCB have the right to sell such land, with EREA having first right to exercise option to purchase. A provision for the potential purchase of such properties has been accounted for at the value determined in relation to the land contributed.

12. OTHER LIABILITIES

	2024	2023
	\$	\$
Current		
Income billed or received in advance	49,842,778	33,640,525
Other liabilities	9,677,728	14,221,739
Total current other liabilities	59,520,506	47,862,264
Non-current		
Income billed or received in advance	11,608,635	11,582,531
Other liabilities	10,826,412	5,483,230
Total non-current other liabilities	22,435,047	17,065,761
Total other liabilities	81,955,553	64,928,025

12. OTHER LIABILITIES (CONT'D)

Revenue billed or received in advance

Parents of students at times, pay fees in advance of being billed. Such fees are recorded as revenue in the period to which they relate. The component greater than 12 months into the future, is treated as a non-current liability.

Other liabilities

Such monies represent normal charges such as GST, FBT and superannuation guarantee levy outstanding, together with an amount for funds held on behalf of schools \$85,030 (2023: \$5,799,619).

13. RESERVES

	2024	2023
	\$	\$
Reserves		
<u>Movement during the year:</u>		
Opening balance	84,235,845	84,650,517
Movement in reserves	(1,399,014)	(3,934,562)
Profit (Loss) attributable to foundations	(14,528)	3,519,890
Transfer from reserves	(1,413,542)	(414,672)
Closing balance	82,822,303	84,235,845
Retained surplus		
<u>Movement during the year:</u>		
Opening balance	2,188,479,971	2,129,074,424
Comprehensive income	36,328,036	58,990,875
Transfer to reserves	1,413,542	414,672
Closing balance	2,226,221,549	2,188,479,971
Total equity	2,309,043,852	2,272,715,816

The combined reserves represent amounts set aside by member entities in regard to areas such as building funds, scholarship funds, special purposes, replacement assets or other certain requirements.

Reserve movements

Board and Council remuneration including Board and Council reimbursement, is reimbursed and offset from the funds received from the contribution from Congregation. The funds available for distribution at 31 December 2024 are \$1,263,918 (2023: \$1,634,826) which will reduce accordingly each year.

Retained surplus

Included in retained surpluses is the value of the Patrimony Assets (Land Transferred) at 31 December 2024 of \$891,004,357 (2023: \$891,004,357).

14. CASH FLOW INFORMATION

	2024	2023
	\$	\$
Reconciliation of cash flow from operations with profit		
Profit	37,727,050	62,925,437
<u>Non-cash flows in profit/(loss)</u>		
Depreciation and amortisation	101,056,156	91,419,953
Expected credit losses	2,246,096	1,058,865
Net gain on revaluation of investments	(346,703)	(200,253)
Net loss/(gain) on disposal of plant and equipment	657,060	(692,774)
Other non-cash (income)/expense item items	(919,856)	910,781
<u>Changes in assets and liabilities</u>		
Increase in receivables	(5,059,059)	(5,227,363)
Decrease/(increase) in inventories	460,538	(61,175)
Increase in other assets	(2,293,606)	(5,276,379)
Decrease in payables	13,266,547	19,623,147
Decrease in provisions	1,843,354	7,037,461
Decrease in other liabilities	17,027,528	321,436
Cash flows from operations	165,665,105	171,839,136

Risk

15. FINANCIAL RISK MANAGEMENT

EREA financial instruments consist mainly of deposits with banks or Catholic Development Funds (which do not obtain the benefit of the depositor protection provisions of the Banking Act 1959), investments, fees receivable, payables and external borrowings. The main purpose of non-derivative financial instruments is to raise finance for operations and future projects.

	Notes	2024 \$	2023 \$
Financial assets			
<u>Financial assets at amortised cost</u>			
Trade and other receivables	6	40,503,231	35,444,172
Other financial assets at amortised cost	7	14,884,993	22,834,438
Cash and cash equivalents	5	345,528,607	285,856,432
Right to reimbursement of LSL	7	27,448,531	27,205,193
<u>Financial assets at fair value through profit or loss</u>			
	7	18,875,675	30,427,481
Total financial assets		447,241,037	401,767,716
Financial liabilities			
<u>Financial liabilities at amortised cost</u>			
- Trade and other payables	9	105,359,386	92,092,839
- Borrowings and leases	10	322,860,527	302,410,518
Total financial liabilities		428,219,913	394,503,357

Financial risk management policies

The EREA Board's overall risk management strategy seeks to assist management in meeting its financial targets, whilst minimising potential adverse effects on financial performance. The EREA Board regularly reviews reports from management in relation to identifying risks and to ensure appropriate processes are in place to manage those identified risks.

Specific financial risk exposures and management

The main risks EREA is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Net fair values

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the above table and can be compared to their carrying values as presented in the Statement of Financial Position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgement, where changes in assumptions may have a material impact on the amount estimated. Areas of judgement and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted, and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

Differences between fair values and carrying values of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by EREA. Most of these instruments which are carried at amortised cost are to be held until maturity and therefore the net fair value figures calculated bear little relevance to EREA.

Economic dependency

The continuing operation of EREA is dependent upon the schools within its control achieving and maintaining appropriate student enrolment numbers, the continuation of adequate funding from the Australian Commonwealth and State Governments in respect of operational and capital grants, and the achievement of operating surpluses and positive operating cash flows.

Group Structure

16. PARENT ENTITY FINANCIAL INFORMATION

	2024	2023
	\$	\$
Statement of financial position		
Current assets	6,264,056	8,395,714
Non-current assets	903,157,200	903,418,211
Total assets	909,421,256	911,813,925
Current liabilities	5,856,424	6,267,294
Non-current liabilities	12,733,400	13,185,863
Total liabilities	18,589,824	19,453,157
Net assets	890,831,432	892,360,768
Reserves	3,368,549	6,453,403
Retained earnings	887,462,883	885,907,365
Total equity	890,831,432	892,360,768
Statement of comprehensive income		
Revenue	7,246,071	10,984,640
Expenses	7,941,144	14,514,726
Total loss for the year	(695,073)	(3,530,086)
Changes to reserves	-	-
Total comprehensive loss for the year	(695,073)	(3,530,086)

Parent entity

Non-current Assets ostensibly represent land transferred to EREA by TOCB.

TEREA provides to the CDFs as part of security, a guarantee in respect of all loan liabilities for particular parcels of land held by certain schools and colleges however this cross-collateralisation of assets is currently being removed.

Unrecognised Items

17. ENFORCEABLE UNDERTAKING

On 30 January 2023, the VRQA withdrew the Enforceable Undertaking and imposed four new conditions on TERE. These conditions were subsequently addressed in collaboration with the VRQA, and TERE is now fully compliant. As a result, school registrations were not impacted.

18. CONTINGENT LIABILITIES

	2024	2023
	\$	\$
Estimates of the potential financial effect of contingencies that may become payable or receivable:		
Block Grant Authority funding		
Grants for capital development that could be liable to repayment on a proportional basis should the school cease operating within a period of 20 years after receiving the grant, are as follows:		
Total Potential Liability at 31 December	103,028,552	107,517,310

Redress scheme

On establishment of TERE by TOCB, under a Master Agreement dated 1 May 2013, various facilities and land were transferred by TOCB to TERE. Under the Agreement, TERE agreed to be responsible for any claim, loss or incident (as defined in the Agreement) in respect of their Educational Facilities as from 1 October 2007.

In November 2019, TERE agreed to become a Participating Member of the Christian Brothers Participating Group, to address the requirements of the National Redress Scheme established under the National Redress Scheme for Institution Child Sexual Abuse Act 2018.

Under the Agreement TOCB indemnifies TERE in conjunction with relevant incidents occurring on or before 30 September 2007 and TERE indemnifies TOCB accordingly regarding relevant incidents occurring on or after 1 October 2007. Any such claim includes a redress application under the referred Act.

Block Grant Authority funding

Schools occasionally receives capital grants to assist with building works at the school. Under the terms of the agreement under which these grants are provided, if the buildings are sold or cease to be used for school purposes within 10 years of the grant receipt, the entire amount is repayable to the grant provider. For the subsequent 10 years this exposure drops by 10% per annum and is fully extinguished after 20 years. TERE does not currently foresee any amount being paid out under this agreement; however, the potential exposure is disclosed as a contingent liability.

19. CAPITAL COMMITMENTS

	2024	2023
	\$	\$
Capital expenditure commitments		
Payable		
- no later than 1 year	43,972,670	38,403,580
- later than 1 year but not later than 5 years	4,449,522	1,841,615
- later than 5 years	1,505,351	1,845,101
Total capital expenditure commitment	49,927,543	42,090,296

20. SUBSEQUENT EVENTS

On 30 January 2023, the Victorian Registration and Qualifications Authority (VRQA) withdrew the Enforceable Undertaking previously in place and imposed four new conditions on the TEREAs. These conditions were addressed during the 2023 financial year, and TEREAs achieved full compliance without any impact on school registrations.

As part of the Enforceable Undertaking, a liability of \$1.7 million relating to Condition 2 was recognised in the financial statements for the year ended 31 December 2023. At that time, the final amount payable remained uncertain due to ongoing negotiations. Subsequent to year-end, these negotiations were concluded, and the final liability was confirmed and fully recognised in the financial statements for the year ended 31 December 2024. This resolution provides clarity and finality to the obligation, and no further adjustments are anticipated.

Redress Payments

During the year ended 31 December 2024, TEREAs and its related entities continued to process and settle redress payments under the National Redress Scheme. Coordination with the Christian Brothers Oceania Province and other stakeholders ensured that all outstanding matters were addressed. As of June 2025, final invoices have been received and reviewed, and payments are being processed accordingly. The financial impact of these payments has been incorporated into the 2024 financial statements.

Other Information

21. RELATED PARTY TRANSACTIONS

	2024	2023
	\$	\$
a. Amounts received / receivable from related parties		
Receipts from EREA Schools	8,088,568	9,748,395
Receipts from EREA Governing Bodies	512,810	742,100
b. Amounts paid / payable to related parties		
Payments to EREA Schools	3,294,683	3,634,753
Other payments to Governing Bodies	805,521	2,756,838
Payments to Congregation	(i) 10,168,400	10,169,385
Payments to EREA Entities	(ii) 186,691	202,842
c. Current receivables		
Trade receivables from EREA Schools	653,021	850,258
Trade receivables from EREA Governing Bodies	194,548	133,756
d. Current payables		
Trade payables to other EREA Schools	2,509,491	1,812,855
Trade payables to EREA Governing Bodies	-	362,133
Trade payables to Congregation	10,168,400	10,168,400
Trade payables to EREA Entities	186,691	202,842

20. RELATED PARTY TRANSACTIONS (CONT'D)

Related Party Transactions - Congregation

- (i) **Loan liability to Congregation**
As per note 11, through the Agreement regarding land contributed to EREA by TOCB, certain land on which title has been transferred to TERE, and for which TERE has become responsible for the maintenance, upkeep, and any necessary development, the TOCB have the right to sell such land, with TERE having first right to exercise option to purchase. A provision for the potential purchase of such properties has been accounted for at the value determined by external valuation.
 - (ii) **Other payables to EREA Entities**
Other amount payable largely represents funds held in trust for Edmund Rice Education Beyond Borders (EREBB). EREBB is an international network of Catholic schools which endeavors to promote global solidarity and offer a transformational education for justice and liberation. These funds will be used for domestic purposes only to support the work of EREBB.
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22. GENERAL INFORMATION

Registered office

The registered office of Trustees of Edmund Rice Education Australia is:
112 Mt Keira Road, Wollongong, NSW 2500

Principal place of business

The principal place of business of EREA is:
74 Bridport Street, Albert Park, Melbourne, Victoria 3206

ABN

96 372 268 340

Legal form

The civil legal form of EREA is that of an incorporated entity titled Trustees of Edmund Rice Education Australia, incorporated under the Roman Catholic Church Communities' Lands Act 1942 (NSW). The canon legal form of EREA is that of a Public Juridic Person (PJP).

Nature of operations

The principal activity of EREA, parent entity, during the financial year was the provision of support services and governance of its member schools and entities.

The principal activity of its member schools is the provision of Catholic Education in the Edmund Rice tradition, in the form of secondary, primary and pre-school, single sex and co-educational schools.

22. GENERAL INFORMATION (CONT'D)

Disclosure of interest in other entities

The following entities make up the EREA reporting group with reference to those entities that are endorsed as Deductible Gift Recipients (DGR) or that operate DGR fund.

The consolidated financial statements represent the financial position of TERE A (ABN 96 372 268 340), a company registered with the Australian Charities and Not-for-profits Commission (ACNC) as a charity. TERE A prepares its financial report in accordance with the ACNC Group reporting framework, under the approved reporting group titled 'Edmund Rice Education Australia ACNC Group'. This group reporting arrangement has been endorsed by the ACNC and allows TERE A to lodge a single consolidated financial report on behalf of its controlled entities that form part of the group.

The TERE A Group comprises the following ACNC registered entities, which were established as part of a group restructure to operate the schools previously managed directly by TERE A:

Entity Name	ABN	Endorsed as DGR or Operate a DGR Fund
Edmund Rice Education Australia Ltd	77 659 849 715	
Edmund Rice Education Australia Colleges Ltd	71 659 944 831	Yes
Edmund Rice Education Australia NSW Colleges Ltd	60 661 601 118	Yes
Edmund Rice Education Australia Flexible Schools Ltd	52 659 978 846	Yes
Edmund Rice Education Australia Victorian Schools Ltd	90 659 880 985	
St Kevin's College Ltd	31 659 900 026	Yes
St Joseph's College Gregory Terrace	24 327 148 629	
St Joseph's Nudgee College	69 372 249 513	

Further to the above, the Edmund Rice Education Australia ACNC Group comprises several controlled entities that are individually registered as charities with the ACNC. Their financial information is fully consolidated into the Group's general purpose financial statements. These entities include:

Entity Name	ABN	Endorsed as DGR or Operate a DGR Fund
St Kevins College	39 926 673 059	Yes
St Mary's College Melbourne	93 859 535 917	Yes
Parade College Bundoora	93 244 161 048	Yes
St Bernard's Christian Brothers College	95 064 042 702	Yes
St Joseph's College Newtown	74 114 857 147	Yes
St Patricks College Ballarat	88 183 384 549	Yes
Alexander Clark Necessitous Circumstances Fund	60 913 913 855	
Ambrose Treacy College Foundation Limited	15 601 740 738	Yes
Aquinas College Foundation Inc	93 078 219 075	Yes
Aquinas College Ladies Auxiliary	75 886 804 983	
Aquinas College Parents & Friends	54 161 274 124	
Aquinas College Uniform Exchange	25 273 625 314	
Nudgee College Foundation Building Fund	80 135 881 432	Yes
Nudgee College Foundation Limited	62 010 531 183	
St Dominics College Parents & Friends Assoc	55 670 208 436	
St Edmund's College Foundation Limited	12 123 323 928	
St Edwards College as the operator of a PBI	69 712 405 730	Yes
St Edwards College Building Fund Gosford	68 964 770 573	Yes

22. GENERAL INFORMATION (CONT'D)

Entity Name	ABN	Endorsed as DGR or Operate a DGR Fund
St Joseph's Nudgee College Bursary and Scholarships Fund Ltd	41 570 652 094	
St Kevin's College Art Show	66 290 880 113	
St Pius X College Cricket Club	57 205 097 880	
St Pius X College Music Parents	82 937 693 696	
St Pius X College Parents & Friends Association	98 770 986 491	
St Pius X College Rugby Club	71 771 148 645	
St Pius X College Tennis Club	85 047 163 709	
The John Elliott Ross Bursary Fund	25 877 953 392	Yes
The Trustee for St Edmund's College Foundation Trust	32 319 840 856	Yes
The Trustee for St Pius X College Scholarship Fund	38 994 618 026	Yes
Waverley College Clothing Pool	28 961 966 314	
Waverley College Rugby Supporters Club	62 324 139 385	
Youth Plus Foundation Limited	29 161 485 178	Yes

As part of the group restructuring, several schools voluntarily revoked their individual ACNC charity registrations. These schools are not separate legal entities and are operated by ACNC registered entities within the Edmund Rice Education Australia_ACNC Group. Each school retains an ABN solely for GST purposes as a "GST non-profit sub-entity" under Division 63 of the A New Tax System (Goods and Services Tax Act) 1999 (Cth). The table below identifies the registered entity responsible for each school:

Entity Name	ABN	Endorsed as DGR or Operate a DGR Fund
Edmund Rice Education Australia Colleges Ltd	71 659 944 831	Yes
• Ambrose Treacy College, Indooroopilly	36 582 902 965	
• Aquinas College, Salter Point	23 983 648 409	
• Christian Brothers College, Adelaide	11 857 307 720	
• Christian Brothers' College, Fremantle	35 815 072 613	
• Edmund Rice College, Bindoon	80 499 328 286	
• Ignatius Park College, Townsville	58 395 448 571	
• Indooroopilly Montessori Children's House	39 176 970 096	
• Mary Rice Early Learning Centre	88 199 520 538	
• Rostrevor College, Woodforde	63 001 070 495	
• St Brendan's College Yeppoon	14 770 357 359	
• St Edmund's College, Canberra	45 551 557 285	
• St Edmund's College, Ipswich	94 379 705 756	
• St James College, Brisbane	57 325 750 761	
• St Joseph's College, Gregory Terrace	24 327 148 629	
• St Joseph's Nudgee College, Boondall	69 372 249 513	
• St Laurence's College, South Brisbane	49 807 758 769	
• St Patrick's College, Shorncliffe	42 238 263 652	
• St Paul's College, Gilles Plains	69 060 056 639	
• St Virgil's College, Hobart	98 599 482 966	
• Trinity College, East Perth	49 717 506 377	

22. GENERAL INFORMATION (CONT'D)

Entity Name	ABN	Endorsed as DGR or Operate a DGR Fund
Edmund Rice Education Australia NSW Colleges Ltd	60 661 601 118	Yes
Christian Brothers' High School, Lewisham	55 425 900 934	
Edmund Rice College, Wollongong	66 202 837 934	
St Dominic's College, Penrith	12 838 505 432	
St Edward's College, Gosford	75 045 585 228	
St Patrick's College, Strathfield	70 273 700 830	
St Pius X College, Chatswood	50 451 308 630	
Waverley College, Waverley	88 163 305 535	
Edmund Rice Education Australia Flexible Schools Ltd	52 659 978 846	Yes
St Edmunds School for The Blind & Visually Impaired	15 708 321 408	
St Gabriels School for Hearing Impaired Children	11 214 967 027	
New South Wales Flexible Schools	64 982 464 843	
Northern Territory Flexible Schools	76 324 246 903	
Queensland Flexible Schools	20 465 121 468	
South Australia Flexible Schools	79 331 297 761	
Tasmanian Flexible Schools	59 761 883 720	
Western Australian Flexible Schools	20 842 218 388	
Victorian Flexible Schools	32 525 803 013	

Key management personnel compensation

Any person(s) having authority or responsibility for planning and controlling the activities of the EREA, directly or indirectly, including any Board and Council member (whether executive or otherwise) of EREA is considered KMP. The persons listed below are the key management personnel during the year ended 31 December 2024 and the signatories to the financial report.

The Council of Edmund Rice Education Australia (EREA) is the body ultimately responsible for the governance of EREA. It is made up of five persons who, in civil law, together constitute the Trustees of Edmund Rice Education Australia. The following persons were members of the EREA Council during the financial year:

- Dr Michael Slattery (Chair / President)
- Dr Stephen Brown (Deputy Chair)
- Beth Gilligan
- Kieran McCarthy
- Sandra Brogden
- David Penny
- Stephen Ellich

The EREA Executive, which provides day to day leadership and management of the operation of all EREA schools, consists of the following persons:

- Liam Smith (National Executive Director)
- Ray Paxton (National Director Education Strategy)
- John O'Connor (Chief Financial Officer)

	2024	2023
	\$	\$
Total remuneration paid to key management personnel	1,868,956	2,959,357

Audit fees disclosure

	2024	2023
	\$	\$
Audit fees	1,213,410	1,281,625
Non-audit fees	525,352	24,703
Total fees	1,738,762	1,306,328

The auditor for the 2024 year is Grant Thornton Audit Pty Ltd. The auditor for the 2023 year was Crowe Audit Australia.

The Trustees of Edmund Rice Education Australia
Consolidated Group
Statement by the Management of Edmund Rice Education Australia
For the year ended 31 December 2024

The Management of Edmund Rice Education Australia has determined that these general purpose financial statements are in accordance with the Australian Charities and Not-for-profit Commission Act 2012.

Management of the Entity declare that:

1. The financial statements and notes as set out in pages 3 to 29:
 - a) give a true and fair view of EREA's financial position as at 31 December 2024 and of its performance for the year ended on that date; and
 - b) comply with Australian Accounting Standards – Simplified Disclosure Requirements (including the Australian Accounting Interpretations) and the Australian Charities and Not-for-profit Commission Regulation 2022.
2. In the Management's opinion there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profit Commission Regulation 2022 and for and on behalf of the Executive of Edmund Rice Education Australia. The attached financial statements were adopted by a resolution of the EREA Board at its meeting on 16 June 2025.



Liam Smith
National Executive Director



John O'Connor
Chief Financial Officer

Signed at Melbourne on 16 June 2025.

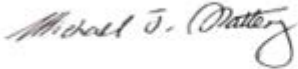
The Trustees of Edmund Rice Education Australia
Consolidated Group
Statement by the Council of Edmund Rice Education Australia
For the year ended 31 December 2024

The Council of Edmund Rice Education Australia has determined that these general purpose financial statements are in accordance with the Australian Charities and Not-for-profit Commission Act 2012.

The Council of the Entity declare that:

1. The financial statements and notes as set out in pages 3 to 29:
 - a) give a true and fair view of EREA's financial position as at 31 December 2024 and of its performance for the year ended on that date; and
 - b) comply with Australian Accounting Standards – Simplified Disclosure Requirements (including the Australian Accounting Interpretations) and the Australian Charities and Not-for-profit Commission Regulation 2022.
2. In the Council's opinion there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profit Commission Regulation 2022 and for and on behalf of the Council of Edmund Rice Education Australia. The attached financial statements were adopted by a resolution of the EREA Board at its meeting on 16 June 2025.



Dr Michael Slattery
President



Stephen Ellich
Treasurer

Signed at Melbourne on 16 June 2025.

Grant Thornton Audit Pty Ltd

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Independent Auditor's Report

To the members of the Trustees of Edmund Rice Education Australia Ltd

Report on the audit of the financial report

Opinion

We have audited the financial report of Trustees of Edmund Rice Education Australia Ltd (the "Registered Entity") and its subsidiaries ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and the Councils declaration.

In our opinion, the financial report of Trustees of Edmund Rice Education Australia Ltd has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a giving a true and fair view of the Registered Entity's financial position as at 31 December 2024 and of its financial performance for the year then ended; and
- b complying with Australian Accounting Standards AASB 1060 *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2022*.

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 Registered Entity in accordance with 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.

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Other information

The Council is responsible for the other information. The other information comprises the information included in the Registered Entity's annual report for the year ended 31 December 2024, but does not include the financial report and our auditor's report thereon.

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

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

If, based on the work we have performed, 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 Council for the financial report

The Council of the Registered Entity is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – *AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and the ACNC Act, and for such internal control as the Council determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Council is responsible for assessing the Registered Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council either intend to liquidate the Registered Entity or to cease operations, or have no realistic alternative but to do so.

The Council is responsible for overseeing the Registered Entity's financial reporting process.

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 Registered Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- Conclude on the appropriateness of the Council'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 Registered 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 Registered 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 evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision, and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

E W Passaris

E W Passaris
Partner – Audit & Assurance

Melbourne, 16 June 2025

Grant Thornton Audit Pty Ltd

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Auditor's Independence Declaration

To the Council of Trustees of Edmund Rice Education Australia Ltd

In accordance with the requirements of section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012, as lead auditor for the audit of Trustees of Edmund Rice Education Australia Ltd for the year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.



Grant Thornton Audit Pty Ltd
Chartered Accountants



E W Passaris
Partner – Audit & Assurance

Melbourne, 16 June 2025