



Foundation for Alcohol
Research & Education

ABN 91 096 854 385

Annual report for the year ended

30 June 2013

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Foundation for Alcohol Research and Education Limited

Directors' report for the year ended 30 June 2013

Directors' Report

The Directors of the Foundation for Alcohol Research and Education Limited (FARE) submit herewith the annual report of the company for the financial year ended 30 June 2013 and the auditor's report thereon.

DIRECTORS

The names of each person who has been a director during the year and to the date of this report are:

Cheryl Bart	Scott Wilson	Peter Thomas	Bernadette Tobin	David Crosbie
Jonathan Nicholas	Katherine Conigrave	Coralie Ober	Andrew Fairley	

Directors have been in office since the beginning of the financial year to the date of this report except for Scott Wilson, Coralie Ober and Andrew Fairley.

PRINCIPAL ACTIVITIES

The principal activities of FARE during the financial year were:

- to prevent alcohol and other licit substance misuse, including volatile substance misuse, particularly among vulnerable population groups such as Indigenous Australians and youth;
- to support evidence-based alcohol and other licit substance misuse treatment, rehabilitation, research and prevention programs; and
- to promote community education encouraging low risk consumption of alcohol and highlighting the dangers of licit substance misuse.

No significant change in the nature of these activities occurred during the financial year.

We will pursue the following five strategic goals over the course of our 2013-2014 strategic plan:

- Policy and advocacy: Pursue public policy reforms that will prevent the harms caused by alcohol misuse;
- Research and development: Support research that contributes to the evidence-base on alcohol misuse and supports FARE's public other policy objectives;
- Community education and engagement: Educate and engage the Australian community about alcohol, its use and its harms;
- Helping communities: Directly support Australian communities by providing resources to respond to alcohol-related harms; and
- Economic sustainability: Manage FARE's resources in an economically efficient and sustainable manner .

Management and the Board monitor FARE's overall performance, from the Implementation of Its mission statement and strategic plan through to the performance of FARE against operating plans and financial budgets.

FARE maintains an operating fund within retained surpluses to support its operational activities. The balance of the operating fund amounts to \$2,023,261 (\$3,591,786 in 2012).

FARE maintains a project fund to support its principal activities. The balance of the project fund amounts to \$5,525,345 (\$7,294,802 in 2012).

Of the project fund, FARE is committed to providing a further \$4,678,639 in project funding. These payments are subject to the terms and conditions of their respective contract and details of these are shown at Note 15. In accordance with Accounting Standards the committed project fund amounts have not been expensed in the Statement of Comprehensive Income. If the committed funds were included then the balance of the uncommitted and unspent project fund would be \$846,706.

FARE maintains a capital fund to support its future activities. The balance of the capital fund as at 30 June 2013 was \$28,097,772 (\$23,465,964 in 2012).

INFORMATION ON DIRECTORS

Names, qualifications, experience and special responsibilities of FARE directors in office during the financial year are as follows:

Cheryl Bart AO	Chairman (until 30 June 2013, retired)
Qualifications	BCom/LLB
Experience	Cheryl is a lawyer and company director. She was the Chairman of ANZ Trustees Ltd, the South Australian Film Corporation, the Adelaide Film Festival and the Environment Protection Authority. During the past year Cheryl also served as a director of Spark Infrastructure Ltd, Audio Pixel Holdings Ltd, Australian Broadcasting Corporation and South Australian Power Networks (formerly ETSA Utilities) , the Australian Himalayan Foundation and the Local Organising Committee of the 2015 Australian Asian Cup. Cheryl is the Immediate past Chairman of the Adelaide Film Festival..
Special Responsibilities	Cheryl also served on the Audit and Risk, and Nominations and Remuneration Committees.

Foundation for Alcohol Research and Education Limited
Directors' report for the year ended 30 June 2013

Directors' Report (continued)

INFORMATION ON DIRECTORS (continued)

Andrew Fairley	Director (Chairman from 1 July 2013)
Qualifications	LL.B
Experience	Andrew Fairley was appointed to the FARE board on 24 May 2013. He is a Financial Services Superannuation Consultant with Hall & Wilcox, and has specialised in the area of superannuation for over 30 years. Andrew has a long association with the philanthropic sector, and is Chairman of the Sir Andrew Fairley Foundation. He is Chairman of Equisuper, and Chairman of Parks Victoria. He also served as Chairman of Zoos Victoria from 2007-2013.
Special Responsibilities	Andrew also serves on the Audit and Risk, and Nominations and Remuneration Committees
Scott Wilson	Deputy Chairman (to the 13 November 2012)
Qualifications	MIndigH (SubUse)
Experience	Scott is the State Director of the Aboriginal Drug and Alcohol Council (SA) Inc, which is the only Indigenous organisation of its kind in Australia. In 2003, He was awarded the Centenary Medal for service to Indigenous substance misuse issues. Scott is the co Deputy Chairperson of the National Indigenous Drug and Alcohol Committee and serves on a variety of other national and state committees.
Special Responsibilities	Scott served on the Audit and Risk, Nominations and Remuneration, Research, and Small Grants Committees.
Peter Thomas	Audit and Risk Committee Chairman
Qualifications	B. Comm; FCA
Experience	Peter is a director of TFG International, a consulting and advisory firm. Peter sits on the boards of a number of government entities, and Indigenous Business Australia. He is also active in the not-for-profit sector.
Special Responsibilities	Peter is also the Chairman of the Small Grants Committee and serves on the Nominations and Remuneration Committee.
David Crosbie	Funding Development Chairman
Qualifications	BA, Dip Ed, Grad Dip Spec Ed
Experience	David is the CEO of the Community Council of Australia and was previously the CEO of the Mental Health Council of Australia the national mental health peak body, the CEO of Odyssey House Victoria one of Australia's leading alcohol and drug treatment agencies, and the CEO of the Alcohol and other Drugs Council of Australia.
Special Responsibilities	David also serves on the Nominations and Remuneration, Research and Small Grants Committees.
Bernadette Tobin	Nominations and Remuneration Committee Chairman
Qualifications	MA (Melb) MEd (Melb) PhD (Cantab)
Experience	Bernadette is the Director of the Plunkett Centre for Ethics at St Vincent's Hospital in Sydney and Reader in Philosophy at Australian Catholic University.
Special Responsibilities	Bernadette also serves on the Audit and Risk, and Research Committees.
Jonathan Nicholas	Director (Deputy Chairman from 24 May 2013)
Qualifications	BA (Hons) MPH
Experience	Jonathan is the CEO of Inspire Foundation, the organisation behind the youth mental health service ReachOut.com. Jonathan was the Founding CEO of Inspire Ireland Foundation and is a human rights consultant for AusAid and UNICEF in Indonesia and Cambodia. Jonathan currently sits on a number of advisory committees including the NSW Commission for Children and Young People and the NSW Expert Advisory Group on Drugs and Alcohol.
Special Responsibilities	Jonathan also serves on the Audit and Risk, Small Grants and Funding Development Committees.

Foundation for Alcohol Research and Education Limited
Directors' report for the year ended 30 June 2013

Directors' Report (continued)

INFORMATION ON DIRECTORS (continued)

Katherine Conigrave	Research Committee Chairman
Qualifications	FACHAM, FAFPHM, PhD
Experience	Kate is an Addiction Medicine Specialist and Public Health Physician based at Royal Prince Alfred Hospital. Kate cares for individuals with alcohol or other drug problems and has worked for many years on education of health professionals in this field, particularly at the University of Sydney. Kate's research has spanned the health benefits of alcohol, and the early detection and intervention for alcohol problems. She has worked with several Aboriginal communities to assist their efforts to tackle substance misuse.
Special Responsibilities	Nil
Coralie Ober	Director (to the 15 March 2013)
Qualifications	
Experience	Coralie was a Research Fellow at the Queensland Alcohol & Drug Research and Education Centre (QADREC), University of Queensland. Coralie also held the position of Principal Consultant Indigenous Training Education and Research with Queensland Health. She was the Program Director for the National Rollout of Indigenous Risk Impact Screen and Brief Intervention Project based at Blala City Community Health.
Special Responsibilities	Coralie served on the Small Grants and Research Committees.

INFORMATION ON COMPANY SECRETARY

Sharrin Wells	Company Secretary and Chief Financial Officer (Appointed 20 May 2013)
Qualifications	BBus (Acc), CPA, MBA
Experience	Sharrin joined the FARE team on 20 May 2013. She brings with her 25 years' experience in all key aspects of public and private sector management. Sharrin's career is characterised by a series of demanding roles and projects, seeing her implement ground-breaking, innovative solutions. Sharrin has developed a depth of understanding of a wide range of organisations while living and working in remote Aboriginal communities for more than 10 years.
Jim O'Shea	Company Secretary and Chief Finance Officer (Resigned 8 February 2013)
Qualifications	BBFA, CPA
Experience	Jim has held corporate appointments in the banking, legal and logistics sectors. He is past President of a number of organisations and served on a committee of the Mental Health Council of Australia and the Audit and Risk Council for profit organisations.

DIRECTORS' MEETINGS

The number of directors' meetings held and number of meetings attended by each director during the financial year are as follows:

Director	General	5 Held	Audit and Risk	5 Held	Nomination and Remuneration	3 held
Name	Number eligible to attend	Attended	Number eligible to attend	Attended	Number eligible to attend	Attended
Cheryl Bart	5	4	5	4	3	3
Scott Wilson	2	2	2	2	3	2
Peter Thomas	5	5	5	5	1	1
Bernadette Tobin	5	5	5	5	3	3
David Crosbie	5	4			3	2
Jonathan Nicholas	5	5	2	2		
Katherine Conigrave	5	5				
Coralie Ober	2	1				
Andrew Fairley	1	1				

Foundation for Alcohol Research and Education Limited
Directors' report for the year ended 30 June 2013

Cheryl Bart was a director of the board from the formation of FARE and Chairman from 12 March 2010. Cheryl retired on 30 June 2013. Scott Wilson served as Director of FARE from 3 September 2001 and retired on 13 November 2012. Coralie Ober was appointed a Director of FARE on 3 November 2012 and retired on 15 March 2013. Andrew Fairly was appointed as a Director of FARE on 24 May 2013 and appointed to Chairman from 1 July 2013. All other Directors have been in office since their Initial date of appointment.

MEMBERS' GUARANTEE

FARE is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If FARE is wound up, the constitution states that each member is required to contribute a maximum of \$50 each towards meeting any outstanding obligations of FARE. At 30 June 2013, the total amount that members of the company are liable to contribute if the company is wound up is \$350 (2012: \$350).

Directors' Report (continued)

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration as required under Section 307C of the *Corporations Act 2001* is set out on page 7 and forms part of the Directors' report for the financial year ended 30 June 2013.

Signed in accordance with a resolution of the Board of Directors:

Director



Director



Dated

25th day of October 2013



Mr Andrew Fairley
Chair, Board of Directors
Foundation for Alcohol Research and Education Limited
PO Box 19
DEAKIN WEST ACT 2600

**FOUNDATION FOR ALCOHOL RESEARCH AND EDUCATION
LIMITED FINANCIAL REPORT 2012-13
AUDITOR'S INDEPENDENCE DECLARATION**

In relation to my audit of the financial report of the Foundation for Alcohol Research and Education Limited for the year ended 30 June 2013, to the best of my knowledge and belief, there have been:

- (i) no contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) no contravention of any applicable code of professional conduct.

Australian National Audit Office

Kristian Gage
Audit Principal

Delegate of the Auditor-General

Canberra

22 October 2013

Foundation for Alcohol Research and Education Limited
Financial statements for the year ended 30 June 2013

Statement of Comprehensive Income

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

	Note	2013 \$	2012 \$
Income			
Consultancy Services	2(a)	2,605	3,972
Finance Revenue	2(b)	5,196,003	433,688
Funding Development Activities	2(c)	26,638	30,511
Government Funding	2(d)	301,000	395,000
Grant Funding	2(e)	77,913	330,032
Total Income		5,604,159	1,193,203
Expenses			
Project Payments	15	2,150,702	1,595,510
Occupancy expenses		175,982	139,255
Administrative expenses		317,769	202,434
Depreciation and amortisation expenses	3(a)	25,978	24,713
Employee benefits expenses	3(b)	1,280,837	1,371,142
Directors' expenses	3(c)	202,201	208,048
Finance costs	3(d)	13,130	13,277
Other expenses	3(e)	143,734	144,509
Total Expenses		4,310,333	3,698,888
Profit for the year before income tax		1,293,826	(2,505,685)
Income tax expense	1(j)	-	-
Profit/(Deficit) for the year		1,293,826	(2,505,685)
Other comprehensive income		-	-
Total comprehensive income for the year		1,293,826	(2,505,685)

The accompanying notes form part of these financial statements.

Foundation for Alcohol Research and Education Limited
Financial statements for the year ended 30 June 2013

Statement of Financial Position

AS AT 30 JUNE 2013

	Note	2013 \$	2012 \$
CURRENT ASSETS			
Cash and cash equivalents	5	6,548,926	7,997,796
Trade and other receivables	6	116,764	712,668
Accrued revenue	7	1,256	2,231
Other assets	8	529,024	494,797
TOTAL CURRENT ASSETS		7,195,970	9,207,492
NON-CURRENT ASSETS			
Financial assets	9	28,682,230	25,430,329
Property, plant and equipment	10	61,166	55,781
Intangible assets	11	-	624
TOTAL NON-CURRENT ASSETS		28,743,396	25,486,734
TOTAL ASSETS		35,939,366	34,694,226
CURRENT LIABILITIES			
Trade and other payables	12	177,714	206,300
Interest-bearing liabilities	13	931	8,487
Provisions	14	36,035	57,329
TOTAL CURRENT LIABILITIES		214,680	272,116
NON-CURRENT LIABILITIES			
Provisions	14	78,308	69,558
TOTAL NON-CURRENT LIABILITIES		78,308	69,558
TOTAL LIABILITIES		292,988	341,674
NET ASSETS		35,646,378	34,352,552
EQUITY			
Reserves			
Capital Fund	15	28,097,772	23,465,964
Project Fund	15	5,525,345	7,294,802
Total Reserves		33,623,117	30,760,766
Retained Surpluses			
Operating Fund	16	2,023,261	3,591,786
Total Retained Surpluses		2,023,261	3,591,786
TOTAL EQUITY		35,646,378	34,352,552

The accompanying notes form part of these financial statements.

Foundation for Alcohol Research and Education Limited
Financial statements for the year ended 30 June 2013

Statement of Changes in Equity

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

	Note	2013 \$	2012 \$
RESERVES			
CAPITAL FUND			
Movements during the year			
Opening balance		23,465,964	23,812,020
Transfer to/from Retained Surpluses		4,631,808	(346,056)
Capital Fund closing balance	15	28,097,772	23,465,964
PROJECT FUND			
Movements during the year			
Opening balance		7,294,802	8,130,797
Transfer to/from Retained Surpluses		(1,769,457)	(835,995)
Project Fund closing balance	15	5,525,345	7,294,802
Total General Reserve		33,623,117	30,760,766
RETAINED SURPLUSES			
Balance at start of year		3,591,786	4,915,420
Operating Surplus/(Deficit) for the year		1,293,826	(2,505,685)
Transfer to Reserves		(2,862,351)	1,182,051
Retained Surpluses balance at end of year	16	2,023,261	3,591,786
TOTAL EQUITY		35,646,378	34,352,552

The accompanying notes form part of these financial statements.

Foundation for Alcohol Research and Education Limited
Financial statements for the year ended 30 June 2013

Statement of Cash Flows

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

	Note	2013 \$	2012 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Project Fund		1,131,772	615,363
Interest received		51,081	35,986
Donations and gifts		30,678	34,483
Net GST receipts		40,240	(124,754)
Payments to suppliers		(701,710)	(333,203)
Directors		(202,201)	(208,048)
Employees		(1,312,629)	(1,293,687)
Project payments		(2,150,702)	(1,847,999)
Net cash flows (used in) operating activities	20(b)	(3,113,471)	(3,121,859)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment cash flows		1,839,074	5,350,562
Payment for property, plant and equipment		(30,739)	(43,927)
Management fees		(143,734)	(144,509)
Net cash flows provided by investing activities		1,664,601	5,162,126
Net (decrease)/increase in cash held		(1,448,870)	2,040,267
Cash and cash equivalents at beginning of year		7,997,796	5,957,529
Cash and cash equivalents at end of year	20(a)	6,548,926	7,997,796

The accompanying notes form part of these financial statements.

Foundation for Alcohol Research and Education Limited
Financial statements for the year ended 30 June 2013

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

The financial statements are for the Foundation for Alcohol Research and Education Limited, a Not For Profit as an individual entity, incorporated and domiciled in Australia. FARE is a company limited by guarantee.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

FARE has elected to early adopt the pronouncements AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010–2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements to the annual reporting period beginning 1 July 2012.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

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

Accounting Policies

a. Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Grant refunds are recognised after the review of the final report and the financial acquittal provided for each individual grant awarded. A tax invoice is issued to the relevant grantee for the repayment of any unused funds provided. If funds can be used by the grantee within the project, the project is then extended and a contract variation entered into with the respective grantee and further payment milestones agreed. (Notes 2 (e)).

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

All revenue is stated net of the amount of goods and services tax (GST).

b. Inventories

Inventories are measured at the lower of cost of and net realisable value.

c. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost less any accumulated depreciation and impairment losses.

A capitalisation threshold of \$1,000 is adopted except where items aggregate to form part of larger items.

FARE continues to exercise its right to elect the cost model, rather than the valuation model, under AASB 116 (29) in respect of property, plant and equipment.

Depreciation

The depreciable amount of all property, plant and equipment including buildings and capitalised leased assets, but excluding freehold land and properties held for investment purposes, is depreciated on a straight line basis over their estimated useful lives to FARE commencing from the time the asset is held ready for use.

d. Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to FARE and are classified as finance leases.

Finance leases are capitalised, recording an asset and a liability equal to the lower of fair value and the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight line basis over their estimated useful lives or over the term of the lease.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives received under operating leases are recognised as a liability. Lease payments received reduce the liability.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

e. Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (ie trade date accounting is adopted). Financial instruments are initially measured at fair value plus transactions 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.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- (i) the amount at which the financial asset or financial liability is measured at initial recognition;
- (ii) less principal repayments;
- (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and
- (iv) less any reduction for impairment.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

(i) *Financial assets at fair value through profit or loss*

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, or where they are derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) *Loans and receivables*

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

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. (All other loans and receivables are classified as non-current assets.)

(iii) *Held-to-maturity investments*

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

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. (All other investments are classified as current assets.)

If during the period the company sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investments category would be tainted and reclassified as available-for-sale.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

e. Financial Instruments (continued)

Classification and subsequent measurement (continued)

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments. Such assets are subsequently measured at fair value.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to be disposed of within 12 months after the end of the reporting period. (All other financial assets are classified as current assets.)

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At the end of each reporting period, the entity assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying value of the financial liability, which is extinguished or transferred to another party, and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

f. Impairment of Assets

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

g. Employee Benefits

(i) Wages, salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of FARE is estimated to be less than the annual benefit for sick leave.

Contributions are made by FARE to complying superannuation funds and are charged as expenses when incurred.

(ii) Long service leave

Long service leave is measured at the present value of the estimated future cash outflows to be made for those benefits.

Notes to the Financial Statements (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

h. Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above

i. 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 an asset or as part of an item of expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

j. Income Tax

FARE is a Health Promotion Charity operating as a company Limited by Guarantee and has an exemption from the Commissioner for Taxation and accordingly does not account for Income Tax.

FARE has also obtained Deductible Gift Recipient Status through the specific listing of FARE as a deductible gift recipient in the *Income Tax Assessment Act 1997*.

k. Intangibles

Software

Software is recorded at cost. Software has a finite life and is carried at cost less accumulated amortisation and any impairment losses. It has an estimated useful life of between three and four years. It is assessed annually for impairment.

The amortisation rates used for each class of asset are 25-40% (25-40% in 2012):

l. Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

m. Comparative Figures

The comparative figures for 1 July 2011 to 30 June 2012 are shown. Where required by Accounting Standards, comparatives have been adjusted to conform to changes in presentation for the current financial year.

n. 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 the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

o. Critical accounting estimates and judgements

The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data.

Key Estimates:

Impairment

All assets are assessed for indicators of impairment each year. Refer to Note 1 d. No indicators of impairment were identified for the period ended 30 June 2013 (2012: nil)

Provisions for Employee Benefits

Provisions for employee benefits are estimated on the basis of the present value of expected future cash outflows in respect of the services provided.

p. Economic Dependency

FARE was established by its members on 17 October 2001 and the FARE Constitution outlines its purpose and objectives.

FARE has an accumulated pool of funds which it is permitted to use for its continued existence and has established a capital fund to assist in ensuring the long term sustainability of FARE.

Foundation for Alcohol Research and Education Limited
Financial statements for the year ended 30 June 2013

Notes to the Financial Statements (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

q. Related Party Disclosures

Directors associated with organisations during the financial year which may receive financial support or fees for services from FARE are Scott Wilson, an employee of the Aboriginal Drug and Alcohol Council (SA) Inc, Katherine Conigrave, an employee of Sydney University, and Cheryl Bart, Chairman of ANZ Trustees Limited, the investment management service provider for FARE.

Terms and Conditions:

Grants awarded to organisations that FARE directors are directors and/or employees of are made at arms length and are under the same terms and conditions as all grantees of FARE.

FARE directors of the related parties were not involved in the decision making process of the grants awarded to those organisations. Details of those grants awarded are contained at Note 23.

Tenders awarded to organisations that FARE directors are directors and/or employees of are made at arms length and are under the same terms and conditions as all service providers of FARE. FARE directors of the related parties were not involved in the decision making process of the tenders awarded to those organisations. Details of those investments are contained at Notes 5 and 9.

r. Change in Accounting Policies

Presentation of items of other comprehensive income (OCI)

As a result of early adopting AASB 2012–7, which includes amendments to disclosure requirements arising from the Tier 1 (full-disclosure) Standard AASB 2011–9: *Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income* that became mandatorily applicable from 1 July 2012, the following changes to the presentation of the company's financial statements were made during the year:

- items of OCI were grouped into:
 - items that will not be reclassified subsequently to profit or loss; and
 - those that will be reclassified subsequently to profit or loss when specific circumstances occur; and

The adoption of AASB 2011–9 only changed the presentation of the company's financial statements and did not have any impact on the amounts reported for the current period or for any prior period in the company's financial statements.

NOTE 2: REVENUES	Note	2013	2012
		\$	\$
a. Consultancy Services			
Committees		2,605	3,972
Total Consultancy Services		2,605	3,972
b. Finance Revenue			
Interest Income			
Public Fund		755	1,565
Operating/Trust Accounts		49,351	33,431
Total Interest Income		50,106	34,996
Investment Income			
Dividends and Interest		1,675,864	1,862,562
Fair Value Movement		3,041,941	(1,737,785)
Tax Imputation Credits		428,092	273,915
Total Investment Income		5,145,897	398,692
Total Finance Revenue		5,196,003	433,688

Foundation for Alcohol Research and Education Limited
Financial statements for the year ended 30 June 2013

Notes to the Financial Statements (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

NOTE 2: REVENUES (CONTINUED)	Note	2013	2012
		\$	\$
c. Funding Development Activities			
Individual donors		8,265	4,296
Corporate partnerships		1,000	16,674
Merchandise and resources		17,373	9,541
Total Funding Development Activities		26,638	30,511
d. Government Funding			
Program funding		301,000	395,000
Total Government Funding		301,000	395,000
e. Grant Funding			
Payments refunded		77,913	330,032
Total Grant Funding		77,913	330,032
NOTE 3: EXPENSES			
Surplus (Deficit) for the year has been determined after:			
a. Depreciation and amortisation of non-current assets			
Computer equipment		12,015	8,746
Furniture and fixtures		10,537	10,809
Telephone system		2,112	948
Other property, plant and equipment		690	341
Computer software		624	3,869
Total depreciation and amortisation		25,978	24,713
b. Employee benefits expenses			
Wage accrual		43,648	31,260
Superannuation accrual		3,296	3,010
Leave accrual		(721)	36,195
Long Service Leave accrual		826	21,573
Other employee expenses		27,027	2,001
Wages and salaries		1,083,311	1,136,483
Superannuation-defined contribution		115,857	133,150
Workers compensation		7,593	7,470
Total employee benefits expenses		1,280,837	1,371,142
c. Directors' expenses			
Fees		164,652	167,136
Other expenses		37,549	40,912
Total directors' expenses		202,201	208,048

Foundation for Alcohol Research and Education Limited
Financial statements for the year ended 30 June 2013

Notes to the Financial Statements (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

NOTE 3: EXPENSES (CONTINUED)	Note	2013	2012
		\$	\$
d. Finance costs			
Operating leases			
Photocopier		13,130	13,277
Total finance costs		13,130	13,277
e. Other Expenses			
Investment management fees		143,734	144,509
Total Other expenses		143,734	144,509
f. Auditor remuneration			
Financial Statements Audit-ANAO		14,700	14,500
Total Auditor remuneration		14,700	14,500

NOTE 4: KEY MANAGEMENT PERSONNEL COMPENSATION

a. Details of Key Management Personnel

Directors

Cheryl Bart	Chairman (retired 30 June 2013)
Jonathan Nicholas	Deputy Chairman
Scott Wilson	Director (retired 13 November 2012)
Peter Thomas	Chairman Audit and Risk Committee
Bernadette Tobin	Chairman Nominations and Remuneration Committee
David Crosbie	Chairman Funding Development
Katherine Conigrave	Chairman Research Committee
Corolle Ober	Director (appointed 13 November 2012, retired 15 March 2013)
Andrew Fairley	Director (appointed 24 May 2013, Chairman from 1 July 2013)

Executives

Michael Thorn	Chief Executive Officer
Sharrin Wells	Chief Financial Officer (appointed 20 May 2013)
Jim O'Shea	Chief Financial Officer (resigned 8 February 2013)

b. Compensation of Key Management Personnel

Short-term benefits

Director fees	156,957	166,011
Executive salaries	315,812	323,724
Total Short-term benefits	472,769	489,735

Post employment benefits

Executive superannuation	43,774	71,439
Total post employment benefits	43,774	71,439

Total	516,543	561,174
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Foundation for Alcohol Research and Education Limited
Financial statements for the year ended 30 June 2013

Notes to the Financial Statements (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

NOTE 5: CASH AND CASH EQUIVALENTS	Note	2013	2012
		\$	\$
These comprise the following:			
Operating Funds		477,564	113,895
Trust Fund		226,119	624,077
Public Fund		55,427	53,038
Capital Works Fund		10,314	10,000
Community Support and Education Fund		10,314	10,000
Indigenous Fund		10,314	10,000
Research Fund		10,314	10,000
Fundraising Fund		2,883	-
Scholarship Fund		51,817	50,300
Treatment Services Fund		10,314	10,000
Petty Cash		367	188
Business Online Saver		53,353	-
Business Extra		20,333	-
Term Deposits		5,609,493	7,106,298
Total Cash and Cash Equivalents		6,548,926	7,997,796
NOTE 6: TRADE AND OTHER RECEIVABLES			
Net GST receivable		-	52,579
Other receivables		116,764	660,089
Total Trade and Other Receivables		116,764	712,668
NOTE 7: ACCRUED REVENUE			
Accrued interest on bank accounts		1,256	2,231
Total Accrued Revenue		1,256	2,231
NOTE 8: OTHER ASSETS			
Imputation Credit refunds		428,092	371,380
Prepayments		25,947	39,220
Merchandise		(638)	-
Resources		75,623	84,197
Total Other Assets		529,024	494,797
NOTE 9: FINANCIAL ASSETS			
Financial assets at fair value through profit or loss	9(a)	24,276,230	14,829,729
Held-to-maturity financial assets	9(b)	4,406,000	10,600,600
Total Financial Assets		28,682,230	25,430,329
a. Financial assets at fair value through profit or loss			
Held-for-trading Australian listed shares	22	20,895,214	14,074,854
Government and fixed interest securities	22	3,381,016	754,875
		24,276,230	14,829,729
Securities in listed corporations held for trading purposes to generate income through the receipt of dividends and capital gains.			
b. Held-to-maturity investments			
Term Deposits	22	4,406,000	10,600,600

Foundation for Alcohol Research and Education Limited
Financial statements for the year ended 30 June 2013

Notes to the Financial Statements (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

NOTE 10: PROPERTY, PLANT AND EQUIPMENT Note

	2013	2012
	\$	\$
a. Non leased Property, Plant and Equipment		
Computer Equipment		
Computer Equipment at cost	165,750	145,975
Less accumulated depreciation	(138,469)	(126,454)
Total Computer Equipment	27,281	19,521
Furniture and Fixtures		
Furniture and Fixtures at cost	144,867	139,848
Less accumulated depreciation	(122,766)	(112,229)
Total Furniture and Fixtures	22,101	27,619
Telephone System		
Telephone System at cost	19,370	18,623
Less accumulated depreciation	(12,853)	(10,643)
Total Telephone System	6,517	7,980
Other Property, Plant and Equipment		
Other Property, Plant and Equipment at cost	15,154	9,858
Less accumulated depreciation	(9,887)	(9,197)
Total Other Property, Plant and Equipment	5,267	661
Total Property, Plant and Equipment	61,166	55,781

b. Movements in Carrying Amounts

Movements in the carrying amounts for each class of property, plant and equipment and intangible assets between the beginning and the end of the current financial year

Computer Equipment

Balance at the beginning of the year	19,521	19,131
Additions	19,775	9,136
Depreciation expense	(12,015)	(8,746)
Carrying amount at the end of the year	27,281	19,521

Furniture and Fixtures

Balance at the beginning of the year	27,619	12,181
Additions	5,019	26,247
Depreciation expense	(10,537)	(10,809)
Carrying amount at the end of the year	22,101	27,619

Foundation for Alcohol Research and Education Limited
Financial statements for the year ended 30 June 2013

Notes to the Financial Statements (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

NOTE 10: PROPERTY, PLANT AND EQUIPMENT Note	2013	2012
(continued)	\$	\$
b. Movements in Carrying Amounts (continued)		
Telephone System		
Balance at the beginning of the year	7,980	382
Additions	649	8,546
Depreciation expense	(2,112)	(948)
Carrying amount at the end of the year	6,517	7,980
Other Property, Plant and Equipment		
Balance at the beginning of the year	661	1,002
Additions	5,296	-
Depreciation expense	(690)	(341)
Carrying amount at the end of the year	5,267	661
Total Movements		
Balance at the beginning of the year	55,781	32,696
Additions	30,739	43,929
Depreciation expense	(25,354)	(20,844)
Total carrying amount at the end of the year	61,166	55,781
NOTE 11: INTANGIBLE ASSETS		
a. Computer software		
Computer software at cost	56,434	56,434
Accumulated amortisation	(56,434)	(55,810)
Total Intangible Assets	-	624
b. Movements in Carrying Amounts		
Computer software		
Balance at the beginning of the year	624	4,493
Amortisation expense	(624)	(3,869)
Carrying amount at the end of the year	-	624
NOTE 12: TRADE AND OTHER PAYABLES		
CURRENT		
Payables	98,788	69,049
Accrued expenses	80,868	70,612
Taxation liability	(2,383)	65,903
Superannuation liability	441	736
Total Trade and Other Payables	177,714	206,300

Foundation for Alcohol Research and Education Limited
Financial statements for the year ended 30 June 2013

Notes to the Financial Statements (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

NOTE 13 : INTEREST BEARING LIABILITIES	Note	2013	2012
		\$	\$
CURRENT			
Bank credit card	21	931	8,487
Total Current		931	8,487
<hr/>			
Total Interest Bearing Liabilities		931	8,487
NOTE 14: PROVISIONS			
CURRENT			
Employee benefits			
Opening balance		57,329	29,567
Additions		61,321	69,395
Amounts charged		(82,615)	(41,633)
Closing balance		36,035	57,329
<hr/>			
NON-CURRENT			
Employee benefits			
Opening balance		69,558	39,552
Additions		47,239	73,032
Amounts charged		(38,489)	(43,026)
Closing balance		78,308	69,558
<hr/>			
a. Aggregate employee benefit liability		114,342	126,887
b. Number of employees at year end		16	15

Provision for Long-term Employee Benefits

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data.

The measurement and recognition criteria relating to employee benefits have been included in Note 1 to this report.

Foundation for Alcohol Research and Education Limited
Financial statements for the year ended 30 June 2013

Notes to the Financial Statements (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

NOTE 15: RESERVES	Note	2013	2012
		\$	\$

GENERAL RESERVE

The general reserve records the capital fund set aside for future FARE strategic directions and the project fund set aside for project payments.

Reconciliation

Capital Fund

Balance at start of year		23,465,964	23,812,020
Dividends and Interest		1,299,874	1,221,858
Market Value Movement		3,035,941	(1,737,800)
Imputation Credits		428,092	293,691
Management Fees		(132,099)	(123,805)
Capital Fund balance at end of year		28,097,772	23,465,964

Project Fund

Balance at start of year		7,294,802	8,130,797
Consultancy Services Income	2(a)	2,605	3,972
Funding Development Activity Income	2(c)	26,708	30,511
Project Funding Income	2(d/e)	351,932	725,032
Project Payments Made	15(a)	(2,150,702)	(1,595,510)
Project Fund balance at end of year		5,525,345	7,294,802

Total General Reserve		33,623,117	30,760,766
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a. Project Fund Commitments

As at 30 June 2013, FARE is committed to providing a further \$4,678,639 in project funds (\$6,556,254 in 2012). These payments are subject to the terms and conditions of their respective contract. These forward commitments have not been expensed in the Statement of Comprehensive Income as they are contingent upon satisfactory performance of grantees.

Summary

Balance at the beginning of year		6,556,254	8,087,353
New approvals		351,000	395,000
Total payable		6,907,254	8,482,353
Amounts paid		(2,150,702)	(1,595,510)
Amounts unutilised		(77,913)	(330,589)
Balance Payable		4,678,639	6,556,254

Payables

-not later than 1 year		3,062,513	3,768,505
-later than 1 year but not later than 2 years		1,539,412	2,711,035
-later than 2 years but not later than 5 years		76,714	76,714
Total Payable		4,678,639	6,556,254

Foundation for Alcohol Research and Education Limited
Financial statements for the year ended 30 June 2013

Notes to the Financial Statements (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

NOTE 15: RESERVES (continued)	Note	2013	2012
		\$	\$

b. Project Fund Uncommitted

As at 30 June 2013 the balance of the project fund uncommitted is \$846,706 (\$738,548 in 2012).

Summary

Total Project Fund		5,525,345	7,294,802
Project Fund Payable		(4,678,639)	(6,556,254)
Total Uncommitted		846,706	738,548

NOTE 16: RETAINED SURPLUSES

The retained surpluses records the operating fund set aside for future FARE operational costs.

Retained surpluses at beginning of financial year		3,591,786	4,915,420
Operating surplus/(deficit)		1,293,826	(2,505,685)
Transfer from project fund	15	1,769,457	835,995
Transfer (to)/from capital fund	15	(4,631,808)	346,056
Retained surpluses at the end of the financial year		2,023,261	3,591,786

NOTE 17: CAPITAL AND LEASING COMMITMENTS

Operating Lease Commitments

Non-cancellable operating leases contracted for but not recognised in the financial statements:

Payable

— not later than 1 year		151,159	146,896
— later than 1 year but not later than 5 years		355,981	507,140
Total Operating Lease Commitments		507,140	654,036

The photocopier lease is a non-cancellable lease with a five year term, with rent payable monthly in advance on a fixed monthly instalment for the term of the lease. The equipment is to be returned to the lessee on expiration or termination of the lease.

A new property lease was entered into commencing October 2012 for a period of five years with an option to renew for a further five years with a rent free period of six months. Rent is payable monthly in advance commencing April 2013.

Rental provisions within the new property lease agreement require that the minimum lease payments shall be increased by 3.25% per annum in October each year commencing October 2013. This increase has been factored into these commitments.

NOTE 18: CONTINGENT LIABILITIES AND ASSETS

As at 30 June 2013 FARE had no contingent liabilities or contingent assets that may become payable or receivable.

NOTE 19: EVENTS SUBSEQUENT TO REPORTING DATE

There have been no significant events subsequent to reporting date.

Foundation for Alcohol Research and Education Limited
Financial statements for the year ended 30 June 2013

Notes to the Financial Statements (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

NOTE 20: CASH FLOW INFORMATION	2013	2012
	\$	\$
a. Reconciliation of Cash		
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related Items in the Statement of Financial Position as follows:		
Cash on hand	939,433	891,498
Term deposits	5,609,493	7,106,298
Total	6,548,926	7,997,796
b. Reconciliation of net cash flows (used in) operating activities with Operating Deficit for the year		
Operating Surplus/(Deficit) for the year	1,293,826	(2,505,685)
Investment (Income)	(5,002,164)	(254,184)
Surplus/(Deficit) from trading activities	(3,708,338)	(2,759,869)
Non-cash flows in surplus from ordinary activities		
Depreciation	25,978	24,714
Changes in assets and liabilities		
Decrease/(increase) in receivables	554,525	(460,033)
Decrease in accrued revenue	975	990
Decrease/(increase) in other assets	22,485	(67,345)
Decrease/(increase) GST paid on expenses	40,240	(48,881)
Increase in payables	39,345	68,868
(Decrease)/increase in employee provisions	(12,544)	57,768
(Decrease)/increase in GST receivable	(49,334)	46,951
(Decrease)/increase in Payroll liabilities	(19,247)	19,688
(Decrease) in bank credit card	(7,556)	(4,710)
Net Cash flows (used in) operating activities	(3,113,471)	(3,121,859)
c. Project Fund Payments		
	15	2,150,702
Total Project Fund Payments	2,150,702	1,595,510

NOTE 21: CREDIT STAND-BY ARRANGEMENT AND LOAN FACILITIES

FARE has a mastercard facility amounting to \$80,000 (2012 \$80,000). This may be terminated at any time at the option of the bank. At 30 June 2013 \$931 (2012 \$8,487) was outstanding on this facility. Interest rates are variable.

FARE has a bank guarantee as security deposit in favour of the property lessors for an amount of \$32,020.

Foundation for Alcohol Research and Education Limited
Financial statements for the year ended 30 June 2013

Notes to the Financial Statements (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

NOTE 22: FINANCIAL RISK MANAGEMENT

The company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, and leases.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2013 \$	2012 \$
Financial assets			
Cash and cash equivalents	5	6,548,926	7,997,796
Trade and other receivables	6	116,764	712,668
Financial assets at fair value through profit or loss	9(a)	24,276,230	14,829,729
Held-to-maturity investments	9(b)	4,406,000	10,600,600
Total financial assets		35,347,920	34,140,793
Financial liabilities			
Financial liabilities at amortised cost:			
– trade and other payables	12	177,714	206,300
– borrowings	13	931	8,487
Total financial liabilities		178,645	214,787

Net fair values

(i) For listed available-for-sale financial assets and financial assets at fair value the fair values have been based on closing quoted bid prices at the end of the reporting period.

There are no unlisted available-for-sale financial assets.

(ii) Fair values of held-to-maturity investments are based on quoted market prices at the ending of the reporting period.

Sensitivity analysis

The majority of the portfolio is Australian equities with revenue dependent on dividends and share value movements. As at 30 June 2013 if dividends or values move, as illustrated in the table below, with all variables held constant, profit and equity would have been affected as follows:

Foundation for Alcohol Research and Education Limited
Financial statements for the year ended 30 June 2013

Notes to the Financial Statements (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

NOTE 22: FINANCIAL RISK MANAGEMENT (continued)

	Equity (Higher/Lower)		Profit (Higher/Lower)	
	2013	2012	2013	2012
	\$	\$	\$	\$
+1% movement in Dividends	16,759	18,626	16,759	18,626
-2% movement in Dividends	(33,517)	(37,251)	(33,517)	(37,251)
+1% movement in Share Prices	242,762	153,303	242,762	153,303
-2% movement in Share Prices	(485,525)	(306,607)	(485,525)	(306,607)

Going concern

FARE monitors rolling forecasts of liquidity reserves, this been a major factor in its Strategic Plan considerations when establishing the basis for future operations. Forecast liquidity reserves as at 30 June 2013 are as follows.

	Actual	Forecast
	2013	2014
	\$	\$
Opening balance retained surpluses	3,591,786	2,007,383
Operating Inflows	591,106	851,457
Investment Outflows	(143,734)	(144,509)
Operating Outflows	(2,002,767)	(2,479,457)
Financing Costs	(13,130)	(13,500)
Closing Balance for the year	2,029,261	221,374

NOTE 23: RELATED PARTY DISCLOSURES

The value of Project Fund Approvals to organisations of which FARE directors are directors and/or employees are detailed below:

	Note	2013	2012
		\$	\$
Related parties			
Sydney University		-	12,500
Total Related Party Disclosures	1(q)	-	12,500

These transactions were undertaken on terms equivalent to those that prevail in arm's-length transactions and also see comments under Note 1(q).

END OF AUDITED FINANCIAL STATEMENTS

Foundation for Alcohol Research and Education Limited
Financial statements for the year ended 30 June 2013

DIRECTORS' DECLARATION

The directors of FARE declare that:

1. The financial statements and notes, as set out on pages 8 to 27 are in accordance with the *Corporations Act 2001*:
 - a. comply with Australian Accounting Standards and the *Corporations Regulations 2001*; and
 - b. give a true and fair view of the financial position as at 30 June 2013 and of the performance for the year ended on that date of FARE.
2. In the directors' opinion there are reasonable grounds to believe that FARE will be able to pay its debts as and when they become due and payable.

The directors make this declaration having received declarations from the Chief Executive Officer and Chief Financial Officer that:

- the financial records of FARE for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
- the financial statements, and the notes comply with the Australian accounting standards;
- the financial statements, and notes give a true and fair view; and
- other matters prescribed by the regulations in relation to the financial statements, and the notes for the financial year are satisfied.

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

Director



Chairman

Director



Audit and Risk Committee Chairman

Dated this

25th day of October 2013

Foundation for Alcohol Research and Education Limited
Financial statements for the year ended 30 June 2013

INDEPENDENT AUDIT REPORT TO THE MEMBERS

Foundation for Alcohol Research and Education Limited
Financial statements for the year ended 30 June 2013

CHIEF EXECUTIVE OFFICER'S DECLARATION

The Chief Executive Officer of FARE declares that:

-
- the financial records of FARE for the financial year ended 30 June 2013 have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
- the financial statements, and the notes comply with the Australian Accounting Standards;
- the financial statements, and notes give a true and fair view;
- and
- other matters prescribed by the regulations in relation to the financial statements, and the notes for the financial year are satisfied.

This declaration is made by:

Michael Thorn
Chief Executive Officer



Dated this 25th day of October 2013

Foundation for Alcohol Research and Education Limited
Financial statements for the year ended 30 June 2013

CHIEF FINANCIAL OFFICER'S DECLARATION

The Chief Financial Officer of FARE declares that:

-
- the financial records of FARE for the financial year ended 30 June 2013 have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
- the financial statements, and the notes comply with the Australian accounting standards;
- the financial statements, and notes give a true and fair view;
- and
- other matters prescribed by the regulations in relation to the financial statements, and the notes for the financial year are satisfied.

This declaration is made by:

Sharrin Wells
Chief Financial Officer



Dated this 25th day of October 2013