Oxfam Australia

ABN 18 055 208 636

Annual Financial Report

for the year ended 30 June 2013

Contents

Corporate Information

This annual report covers both Oxfam Australia as an individual entity and the consolidated entity comprising Oxfam Australia and its subsidiary, Oxfam Australia Trading Pty Ltd ("the Group"). The Group's functional and presentation currency is AUD ($).

A description of the Group's objectives and of its principal activities is included in the review of operations and activities in the Directors' report on pages 3 to 8.

Directors

Jane Hutchison	Chair (non-executive)
Ian Anderson	Deputy Chair (non-executive)
Ann Byrne	Director (non-executive)
Fiona Kotvojs	Director (non-executive) (from Dec 2012)
Melissa Houghton	Director (non-executive) (from Dec 2012)
Mark Pryn	Director (non-executive)
Peter Croft	Director (non-executive)
Michelle Imison	Director (non-executive) (to Dec 2012)
Patrick Kilby	Director (non-executive) (to Dec 2012)
Susan Black	Director (non-executive)
Lyn Carson	Director (non-executive) (to Mar 2013)
Eversley Mortlock	Director (non-executive) (to Nov 2012)
Alan Wu	Director (non-executive)
Dennis Goldner	Director (non-executive)
Elizabeth Reid	Director (non-executive)
Michael Henry	Director (non-executive) (to Dec 2012)
Adrienne Farago	Director (non-executive) (to Dec 2012)

Registered office and Principal place of business

132 Leicester Street
Carlton, Victoria, 3053
Phone: +61 3 9289 9444
www.oxfam.org.au

Solicitors

Corrs Chambers Westgarth
600 Bourke St
Melbourne, Victoria 3000

Moores Legal
9 Prospect Street
Box Hill, Victoria 3128

Corporate Information (cont)

Bankers

Westpac Banking Corporation
GPO Box 3433
Sydney, NSW 2001

Bendigo and Adelaide Bank
PO Box 480
Bendigo, Victoria 3550

UBS Wealth Management
8 Exhibition Street
Melbourne, Victoria 3000

Auditors

Ernst & Young
8 Exhibition Street
Melbourne, Victoria 3000

Directors' Report

Your Directors submit their report for the year ended 30 June 2013.

Directors

The names and details of the Directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Names, qualifications, experience, and special responsibilities

Dr Jane Hutchison (Chair) Assoc Dip Ag, BA (Hons) PhD	Jane is Senior Lecturer in Politics and International Studies and Fellow of the Asia Research Centre at Murdoch University. She has a background in environmental and trade union activism, including non-violent civil disobedience. Jane is a long-term supporter of Oxfam Australia and has served as Chair of the One World Centre Management Committee in WA.
Dr Ian Anderson AM (Deputy Chair) PhD., M.Litt, FCA, CPA, FHKICPA	A retired chartered accountant, Ian worked as a specialist tax partner with leadership roles in a major accounting firm before becoming a senior banker in structured finance. He was Chair of Oxfam Hong Kong for 10 years, Chair of Oxfam International for four years and has been involved with Oxfam Australia since the early 1970s. Ian was Board Treasurer from 2004 until 2009.
Ann Byrne HDTS, GradDip (HRD), GradDip (Superannuation), FAICD, FAIST	Ann is the Chief Executive Officer of the Australian Council of Superannuation Investors (ACSI). She joined ACSI in 2008 with a history of superannuation fund management at UniSuper and Superannuation Trust of Australia, now Australian Super. Ann is a member of the Business Advisory Committee of the Department of Accounting at Monash University, the Black Rock Investment Management (Australia) Compliance Committee and the Shareholder Rights Committee of the International Corporate Governance Network.
Fiona Kotvojs (from Dec 2012)	Fiona has extensive experience in international development, including as an Alternate Director and Senior Executive for ACIL Australia. As well, she has serves as a Director or Trustee on a range of Australian Boards and Trusts. Fiona brings over 20 years experience in international development assistance. She has particular expertise in strategic planning, monitoring and evaluation, program design, program sustainability and capacity development.
Melissa Houghton (from Dec 2012) BA	Based in NSW, Melissa is a marketing and communications specialist and co-owner of the consultancy firm, Sustainability at Work. Previously she has held a number of senior executive positions for organisations including News Digital Media, Telstra and Green Building Council of Australia. She has a record of active community involvement and is a keen Oxfam Trailwalker participant.
Mark Pryn BEcon, CA	Mark is a Chartered Accountant and Chartered Company Secretary with over 25 years experience within corporate and professional service environments. Currently, Mark operates as a consultant providing clients with a broad range of corporate management services, drawing on his extensive background in commerce, finance and governance.
Peter Croft BSc, BEcon, MAICD	After 39 years in the South Australian public sector, Peter recently retired as a Director of South Australia's Department for Environment and Heritage where he was responsible for the Coorong, Lower Lakes and Murray Mouth. Formerly a member of Community Aid Abroad, he has been a long-time supporter of Oxfam Australia.

Directors' Report (cont)

Susan Black
BOT, MSWAP

Susan is Manager of Queensland Social Enterprise Partnerships with Social Ventures Australia and has previously held management positions in community organisations, including Community Aid Abroad, as well as leading a change project in the Queensland Government. She is an Associate of the Centre for Social Response, a community development training organisation.

Alan Wu
BA, LLB, GradDipLegPrac

Alan is a lawyer with the Australian Government. He has worked in human rights domestically and with the Australian Permanent Mission to the UN in New York, and in the delivery of technical legal assistance to the Pacific. His previous work as the Chair of Australia's national youth affairs peak was recognised by the Australian Human Rights Commission and through the Young Australian of the Year Awards. He has also served as Special Envoy for Young People to the UN Environment Programme, on the Australian National Commission for UNESCO, and as an Australian Representative to the 2004 Oxfam International Youth Parliament.

Dennis Goldner
B.Ec (Hons), FAICD

Dennis was a partner at Deloitte for 20 years, retiring in 2009. His earlier career was spent in the Australian and Victorian public sector, having worked in industry policy, trade and competition policy agencies reaching senior levels. He now chairs The Deloitte Foundation, Regional Arts Victoria and is a board member of the Library Board of Victoria and Regional Arts Australia. He has completed terms on the board of The Royal Children's Hospital Melbourne and Deloitte Australia. Dennis has served on the Finance Risk and Audit Committee of Oxfam Australia since 2007.

Elizabeth Reid, AO
FASSA, BA (Hons), BPhil, HonLittD

Elizabeth has wide-ranging experience as a development worker and policy and program analyst. Her development practice focuses on the facilitation of social change and on development effectiveness. It is based on gender and social justice principles, and oriented towards the strengthening of social and moral capital. She was a Director and Chairperson of IDSS, International Development Support Services, Oxfam Australia's former commercial subsidiary. She is a Visiting Fellow at the Australian National University.

Dr Patrick Kilby (to Dec 2012)
B.ScAgr (Syd), M.AgEc (Syd), PhD (ANU)

Patrick is lecturer and coordinator of Australian National University's Masters Program in Participatory Development. He has been involved in the Australian non-government sector for 25 years through ACFID and the AusAID / NGO Committee for Development Cooperation, and undertakes training and evaluation work for governments, NGOs and the private sector. Patrick has been involved with Oxfam Australia since 1983 and worked in our programs section until 2002. Patrick was elected to the Board in 2008and his term expired in December 2012.

Board staff participant

Sabina Curatolo

Sabina is currently Oxfam Australia's Political Engagement Lead, representing Oxfam's work to the Australian Government. She has more than 11 years' experience working in international development at a range of levels — the United Nations Food and Agriculture Organization, the Australian Agency for International Development (AusAID) and the Office of Shadow Minister for International Development , and as an independent consultant.

Company Secretary

Anthony Alexander

Anthony joined Oxfam as the Chief Financial Officer in 2011. Anthony has had 15 years of experience in both the not-for-profit and commercial sectors. Anthony's last role was the National Finance Manager and Company Secretary for the Royal Flying Doctor Service, based in Sydney. Prior to this, Anthony worked as the Commercial Manager for Mission Australia (Victoria, South Australia and Tasmania) providing financial leadership across the organisation's community, employment and training services. Anthony is a CPA, a member of institute of company directors and a member of the Australian Computer Society.

Directors' Report (cont)

Corporate structure

Oxfam Australia is an income tax exempt charitable organisation, incorporated as a company limited by guarantee and domiciled in Australia. Oxfam Australia has prepared a consolidated financial report incorporating the entity that it controlled during the financial year.

Oxfam Australia
Oxfam Australia began as Food for Peace in Melbourne in 1953. In 1962 the name was changed to Community Aid Abroad and the first full time Director was appointed. The Australian Freedom From Hunger Campaign which was founded in 1961 merged with Community Aid Abroad in 1992. Community Aid Abroad has been a member of the Oxfam International confederation since its formation in 1995 and in 2001 changed its legal name to Oxfam Australia. Today the organisation is a secular, independent, non government, not-for-profit organisation working in 28 countries around the world, including Australia.

Oxfam Australia Trading Pty Ltd
Oxfam Australia Trading Pty Ltd is a fully owned subsidiary of Oxfam Australia. It is a Fair Trade Organisation providing better trading conditions and capacity building support for marginalised producers. Oxfam Australia Trading Pty Ltd operates a commodities wholesale business, an online shop, a mail order catalogue and 12 stores around the country.

Principal activities and objectives

Oxfam Australia works to overcome poverty and injustice around the world by aiming to increase the number of people who have a sustainable livelihood, access to social services, an effective voice in decisions, equal rights and status, and safety from conflict and disaster. Oxfam Australia's work is a partnership through which Australians enable people living in poverty to control their own development, achieve equitable treatment, exercise their basic rights, and ensure the environment is healthy and sustainable.

The Oxfam Australia Strategic Plan 2007 – 2013 sets out two central commitments that guide our approach, Active Citizenship and Accountability. The Plan sets out four External Change Goals and seven Organisational Change Goals. The External Change Goals that focus our work are:

- Economic Justice – More women and men will realise their right to secure and sustainable livelihoods;
- Essential Services - The Millennium Development Goals and targets on essential services will be achieved and people living in poverty, especially women and girls will realise their rights to accessible and affordable healthcare, education, water and sanitation;
- Rights in Crisis - All women and men in humanitarian crises will be assured both the protection and the assistance they require, regardless of whom or where they are or how they are affected, in a manner consistent with their human rights; and
- Gender Justice - Many more women will gain power over their lives and live free from violence through changes in attitudes, ideas and beliefs about gender relations; and increased levels of women's active engagement and critical leadership in institutions, decision-making and change processes.

The principal activities during the year of the entities within the Group were to:

- Raise funds from the Australian Community, Government and Institutional Donors for the purpose of initiating and managing development and humanitarian relief programs overseas and in Australia; and
- Support development of poor communities by selling crafts, jewellery, foods and other products sourced primarily from small scale farmers and artisans.

Specific targets are set for income and expenditure each year and these are monitored and altered as appropriate to maximise our program and advocacy work.

Directors' Report (cont)

Operating and financial review

This year our focus was on achieving a strong surplus result, continuing to build a more sustainable operating structure and supporting our Oxfam Trading shops. The consolidated surplus for the year was $3,633,115 which includes the Oxfam Trading loss of ($1,131,112). This was another strong result following last year's $2,409,035 surplus and continues to build our reserve levels. In addition, we reported positive cash flow from operations of $7,161,371. The surplus and positive cash flow was largely due to:

- achieving operational cost efficiencies during the year;
- significant improvement in our Oxfam Trading performance;
- reducing debt levels; and
- improving our foreign exchange management processes.

During the year, our consolidated income reduced by $3,826,674 to a total of $82,336,097. The main factor was community support income which went down by $6,406,356 compared to the prior year, this was mostly due to receiving substantial one-off income for the East Africa appeal in 2011/12. Government and non-government grant income increased by $2,783,234 to $25,131,522. We spent $46,341,954 on our long term program development, advocacy and emergency responses during the year. This was a reduction from prior year and reflects our Oxfam Confederation objectives for single management structures within our country offices, and the overall focus on cost management during the year.

During the year, we continued to focus on improving our balance sheet position which resulted in an improved working capital position and a reduction in our interest bearing liabilities of $2,656,360. Our focus for the coming year is to invest in income generating activities for our community support income and continuing to build our reserve levels. The organisation continues on its path towards a sustainable and vibrant organisation that promotes social justice and fights poverty.

Performance Indicators

The Board and management monitor the Group's overall performance, from the implementation of the organisation's vision and strategic plan through to the performance of the Group against operating plans and financial budgets. The Board, together with management, have identified key performance indicators (KPIs) that are used to monitor performance. Management monitor KPIs on a regular basis. Directors receive the KPIs for review prior to each Board meeting allowing all of the Directors to actively monitor the Group's performance.

The three principal KPIs for Oxfam Australia are:

- Program Investment Ratio: Program expenditure as a percentage of total expenditure
- Cost of Fundraising Ratio: Fundraising expenditure as a percentage of total community support income
- Administration Ratio: Administration costs as a percentage of total expenditure

	2012/13	2011/12	2010/11
Program Investment Ratio:	70.77%	69.84%	73.03%
Cost of Fundraising Ratio:	23.53%	21.35%	24.06%
Administration Ratio:	12.08%*	15.16%	13.45%

**Please note the Administration ratio definition has changed from prior year and no longer includes the Oxfam Trading impairment.*

Our Program Investment ratio increased during the year as we focused on maintaining significant levels of investment in our programming and advocacy work. Our Cost of Fundraising ratio increased from prior year, mainly due to the small amount of income we received for Appeal income in 2012/13, compared to the large amount of East Africa Appeal income we received in 2011/12. The cost of fundraising is lower for Appeal income. Our administration ratio decreased from prior year following our focus on cost efficiency and effectiveness during the year. In future years, we aim to increase the amount of program funding provided as a percentage of our total expenditure, and ensure the organisation strives for the most efficient and effective administration and fundraising efforts.

In addition there are other accountability measures that the Board monitors, including reserves levels, levels of grant income in comparison to community support income and the breakdown of program costs between direct program costs, program support and program management.

Directors' Report (cont)

Attendance at meetings

The number of meetings of Directors (including meetings of committees of Directors) held during the year and the number of meetings attended by each Director is shown in the table below. All Directors serve on at least one of the Board's committees, which may also comprise Board-appointed external advisers (co-opted members).

	Directors' Meetings	Finance, Risk & Audit Committee	Governance Committee	Public Engagement Committee	Nominations Committee (telecon only)
Number of meetings held:	5	5	3	4	12
	Attended	**Attended**	**Attended**	**Attended**	**Attended**
Jane Hutchison	5(5)	1(5)	3(3)		12(12)
Ian Anderson	5(5)	3(5)	3(3)		
Ann Byrne	5(5)	5(5)			
Fiona Kotvojs	3(3)		2(2)		
Melissa Houghton	3(3)			3(3)	
Mark Pryn	5(5)	5(5)			
Peter Croft	5(5)	5(5)			
Patrick Kilby	2(2)			1(1)	
Susan Black	5(5)		3(3)	1(1)	4(12)
Lyn Carson	5(5)			3(3)	
Eversley Mortlock	2(2)				
Alan Wu	5(5)	4(4)	3(3)		
Dennis Goldner	5(5)	5(5)			
Elizabeth Reid	5(5)		3(3)		
Michael Henry	2(2)			1(1)	
Adrienne Farago	2(2)		1(1)		
Michelle Imison	2(2)		1(1)		
Board staff participants					
Sabina Curatolo	2(3)			2(3)	
Jez Hunghanfoo	2(2)			1(1)	

* Meetings eligible to attend are in brackets -all meetings are face to face (except the Nominations Committee). In addition, all Committees hold regular teleconferences.

Committee Membership

As at the date of this report, the company had a Finance, Risk and Audit Committee, a Public Engagement Committee, a Governance Committee and a Nominations Committee. Members acting on the committees of the Board during the year were:

Finance Risk & Audit	Public Engagement	Governance	Nominations
A Byrne (ch)	M Houghton (ch from Jun 13)	S Black ch	J Hutchinson (ch)
M Pryn (ch)	P Kilby (ch to Sep 12)	J Hutchison	S Black
A Wu	L Carson	F Kotvojs	G Romanes @
L Tallis @	E Mortlock	M Imison	M Nearhos @
P Croft	M Eagle @	I Anderson	J Mitchell @
I Anderson	L Healy @	E Reid	M Wright @
D Goldner	S Curatolo	A Wu	B Hartnett @
B Watson @	J Hunghanfoo	G Hart @	

(ch) designates the chair of the committee
@ honorary independent members of the committee and non-director

Directors' Report (cont)

Liability of Members

Oxfam Australia is a company limited by guarantee. In the event of the company being wound up, the liability of members is limited to $100.

Indemnification and insurance of directors and officers

The company has paid premiums in respect of a contract insuring all the Directors and officers of the economic entity against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in their respective capacities, other than conduct involving wilful breach of duty in relation to the company. Disclosure of the premium amount paid is prohibited under the policy.

Auditors Independence and Non-assurance related services

The Directors received and have accepted the attached Independence Declaration from the auditor of Oxfam Australia.

Non-assurance related services

The Group's auditor, Ernst & Young, provided non-assurance related services throughout the year. The value of these services is disclosed in Note 20.

Signed in accordance with a resolution of the directors.

Janet K Hutchison

Jane Hutchison
Chair

Ann Byrne
Director

Melbourne
17 October 2013

Ernst & Young
8 Exhibition Street
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Building a better working world

Auditor's Independence Declaration to the Directors of Oxfam Australia

In relation to our audit of the financial report of Oxfam Australia for the financial year ended 30 June 2013, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

Ernst & Young

Ernst & Young

Painter

Stuart Painter
Partner
17 October 2013

Statement of Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2013	NOTE	CONSOLIDATED 2013 $	CONSOLIDATED 2012 $	PARENT 2013 $	PARENT 2012 $
Community support income	3 (a)	42,914,448	49,320,804	42,914,448	49,320,804
Grants (government & non-government)	3 (b)	25,131,522	22,348,288	25,131,522	22,348,288
Sale of goods		13,164,825	13,518,038	-	-
Investment income	3 (c)	417,587	465,866	376,467	428,445
Other operating income	3 (d)	659,309	459,241	689,848	480,008
Total income		**82,287,690**	**86,112,237**	**69,112,285**	**72,577,545**
Program costs	3 (e)	46,341,954	49,003,826	46,341,954	49,003,826
Fundraising expenses		9,750,758	10,193,958	10,098,665	10,528,625
Cost of goods sold and services provided		6,506,624	6,587,248	-	-
Administration costs	3 (f)	15,965,212	17,379,518	7,907,439	8,379,218
Impairment of investment in subsidiary		-	-	1,131,112	2,070,743
Foreign exchange losses	3 (g)	377	182,486	-	186,098
Finance costs	3 (h)	90,027	356,166	-	-
Total expenses		**78,654,575**	**83,730,202**	**65,479,170**	**70,168,510**
Net surplus for the year		**3,633,115**	**2,409,035**	**3,633,115**	**2,409,035**
Other comprehensive income / (loss)					
Net loss on available-for-sale investments		17,526	(110,484)	17,526	(110,484)
Total other comprehensive loss		**17,526**	**(110,484)**	**17,526**	**(110,484)**
Total comprehensive income surplus for the year		3,650,641	2,298,551	3,650,641	2,298,551

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position

AS AT 30 JUNE 2013	NOTE	CONSOLIDATED 2013 $	CONSOLIDATED 2012 $	PARENT 2013 $	PARENT 2012 $
ASSETS					
Current Assets					
Cash and cash equivalents	4	20,021,906	15,587,479	19,873,346	15,042,392
Trade and other receivables	5	3,056,955	2,956,335	2,331,726	2,246,708
Inventories	6	2,661,386	2,624,143	-	-
Other current assets	7	1,067,525	1,021,797	333,874	399,123
Available for sale financial assets	9	90,957	100,717	90,957	100,717
Total Current Assets		**26,898,729**	**22,290,471**	**22,629,903**	**17,788,940**
Non-Current Assets					
Receivables	5	161,650	202,590	161,650	202,590
Investments in subsidiary	8	-	-	3,956,923	1,663,631
Available for sale financial assets	9	21,847	21,315	21,847	21,315
Property, plant & equipment	10	10,172,158	10,655,639	9,108,872	9,452,611
Intangible assets	11	556,099	1,044,731	496,438	928,087
Investment property	12	112,731	117,810	-	-
Total Non-Current Assets		**11,024,485**	**12,042,085**	**13,745,729**	**12,268,234**
TOTAL ASSETS		**37,923,214**	**34,332,556**	**36,375,632**	**30,057,174**
LIABILITIES					
Current Liabilities					
Trade and other payables	13	15,981,472	13,189,553	15,356,428	12,568,037
Interest bearing liabilities	14	230,887	2,887,247	-	-
Provisions	15	4,184,760	4,171,151	3,757,025	3,745,957
Total Current Liabilities		**20,297,119**	**20,247,951**	**19,113,453**	**16,313,994**
Non-Current Liabilities					
Trade and other payables	13	-	6,417	-	-
Provisions	15	828,070	1,030,804	564,154	695,796
Total Non-Current Liabilities		**828,070**	**1,037,221**	**564,154**	**695,796**
TOTAL LIABILITIES		**21,225,190**	**21,285,172**	**19,677,610**	**17,009,790**
NET ASSETS		**16,698,025**	**13,047,384**	**16,698,025**	**13,047,384**
ACCUMULATED FUNDS					
Retained surplus		15,516,392	11,227,899	15,516,392	11,227,899
Reserves		1,181,633	1,819,485	1,181,633	1,819,485
TOTAL ACCUMULATED FUNDS		**16,698,025**	**13,047,384**	**16,698,025**	**13,047,384**

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

Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2013	NOTE	CONSOLIDATED 2013 $	CONSOLIDATED 2012 $	PARENT 2013 $	PARENT 2012 $
CASH FLOW FROM OPERATING ACTIVITIES					
Receipts from customers		13,131,989	13,067,146	-	-
Receipts from donors and Government		69,497,925	75,355,369	69,497,925	75,355,369
Payments to suppliers and employees		(29,795,519)	(34,817,845)	(15,673,030)	(19,981,878)
Payments to projects		(45,943,994)	(49,189,924)	(45,943,994)	(49,189,924)
Interest received		371,087	240,051	351,623	216,510
Interest and other costs of finance paid		(90,027)	(356,166)	-	-
Net cash provided by / (used in) operating activities:	4(b)	7,170,961	4,298,631	8,232,024	6,400,077
CASH FLOW FROM INVESTING ACTIVITIES					
Proceeds from sale of property, plant & equipment		88,960	99,862	88,960	83,437
Proceeds from sale of available-for-sale investments		28,754	6,376,309	28,754	6,376,309
Investment interest and dividends received		22,844	259,591	22,844	259,591
Purchase of property, plant & equipment		(248,101)	(27,377)	(158,165)	(20,244)
Purchase of intangibles		(13,572)	(74,502)	-	(50,954)
Acquisition of investment		-	-	(3,424,404)	(3,686,704)
Repayment from Oxfam affiliate		40,941	79,060	40,941	79,060
Net cash provided by / (used in) investing activities:		(80,174)	6,712,943	(3,401,070)	3,040,495
CASH FLOW FROM FINANCING ACTIVITIES					
(Repayments to) / Proceeds from borrowings		(2,656,360)	435,524	-	-
Net cash provided by / (used in) financing activities:		(2,656,360)	435,524	-	-
Net increase in cash and cash equivalents		4,432,442	11,447,098	4,830,954	9,440,572
Cash at beginning of the year		15,587,479	4,140,381	15,042,392	5,601,820
Cash at end of the year	4(a)	20,019,921	15,587,479	19,873,346	15,042,392

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

Statement of Changes in Equity

CONSOLIDATED	Retained Surplus $	Restricted Reserves $	Net unrealised gains reserve $	International Crisis Fund $	Total $
At 30 June 2011	8,653,075	1,905,379	107,379	83,000	10,748,833
(Deficit) for the year	2,409,035	-		-	2,409,035
Net realised losses on available-for-sale investments	-	-	47,656	-	47,656
Impairment of available-for-sale investments	-	-	(158,140)	-	(158,140)
Total comprehensive income for the year	2,409,035	-	(110,484)	-	2,298,551
Transfer to / (from) reserves	165,789	(165,789)	-	-	-
At 30 June 2012	11,227,899	1,739,590	(3,105)	83,000	13,047,384
Surplus for the year	3,633,115	-	-	-	3,633,115
Net realised gains / (losses) on available-for-sale investments	-	-	(2,000)	-	(2,000)
Net unrealised (losses) / gains on available-for-sale investments	-	-	19,526	-	19,526
Total comprehensive income for the year	3,633,115	-	17,526	-	3,650,641
Transfer to / (from) reserves	655,378	(655,378)	-	-	-
At 30 June 2013	15,516,392	1,084,212	14,421	83,000	16,698,025

PARENT	Retained Surplus $	Restricted Reserves $	Net unrealised gains reserve $	International Crisis Fund	Total $
At 30 June 2011	8,653,075	1,905,379	107,379	83,000	10,748,833
(Deficit) for the year	2,409,035	-	-	-	2,409,035
Realised losses on available-for-sale investments	-	-	47,656	-	47,656
Impairment of available-for-sale investments	-	-	(158,140)	-	(158,140)
Total comprehensive Income for the year	2,409,035	-	(110,484)	-	2,298,551
Transfer to / (from) reserves	165,789	(165,789)	-	-	-
At 30 June 2012	11,227,899	1,739,590	(3,105)	83,000	13,047,384
Surplus for the year	3,633,115	-	-	-	3,633,115
Net realised gains / (losses) on available-for-sale investments	-	-	(2,000)	-	(2,000)
Net unrealised (losses) / gains on available-for-sale investments	-	-	19,526	-	19,526
Total comprehensive Income for the year	3,633,115	-	17,526	-	3,650,641
Transfer to / (from) reserves	655,378	(655,378)	-	-	-
At 30 June 2013	15,516,392	1,084,212	14,421	83,000	16,698,025

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

Notes

YEAR ENDED 30 JUNE 2013

Notes to the Financial Statements

YEAR ENDED 30 JUNE 2013

1. Corporate information

The financial report of Oxfam Australia for the year ended 30 June 2013 was authorised for issue in accordance with a resolution of the directors on 17 October 2013.

Oxfam Australia is a public company limited by guarantee. It is an income tax exempt charitable organisation, incorporated and domiciled in Australia. The registered office of Oxfam Australia is 132 Leicester Street, Victoria, 3053.

The nature of the operations and principal activities of the Oxfam Group are described in the Directors' Report.

2. Summary of significant accounting policies

Basis of preparation

The financial report is a general-purpose financial report which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards – Reduced Disclosure Regime and other authoritative pronouncements of the Australian Accounting Standards Board. This financial report is in compliance with ASIC class order 10/654.

The financial report has been prepared in accordance with the historical cost convention with the exception of the available for sale investments and derivatives which have been measured at fair value. The report is presented in Australian dollars and is rounded to the nearest dollar.

(a) Statement of compliance

The financial report complies with the Australian Accounting Standards - Reduced Disclosure Requirements.

New Accounting Standards and Interpretations

Changes in accounting policy and disclosures.
The accounting policies adopted are consistent with those of the previous financial year except as follows:

AASB 2011-9 *Amendments to Australian Accounting Standards – Presentation of Other Comprehensive Income* [AASBs 1, 5, 7, 10, 112, 120, 121, 132, 133, 134, 1039 & 1049] effective 1 July 2012

(b) Basis of consolidation

The consolidated financial statements comprise the financial statements of Oxfam Australia (the parent company) and all of its controlled entities as at 30 June each year (the Group).

Subsidiaries are fully consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date on which control is transferred-out of the group.

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

All intercompany balances and unrealised profits from transactions between Group companies have been eliminated on consolidation.

Investments in subsidiaries are accounted for at cost less any impairment losses in the separate financial statements of the parent entity.

The acquisition of subsidiaries is accounted for using the purchase method of accounting. The purchase method of accounting involves allocating the cost of the business combination to the fair value of the assets acquired and the liabilities and contingent liabilities assumed at the date of acquisition. All acquisition costs are expensed.

Notes (continued)

YEAR ENDED 30 JUNE 2013

2. Summary of significant accounting policies (cont)

(c) Significant accounting judgments, estimates and assumptions

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statement:

Operating Lease Commitments - Group as Lessor
The Group has entered into commercial property leases on its investment property portfolio. The Group has determined based on the evaluation of terms and conditions of the arrangement, that it retains all the significant risks and rewards of ownership of these properties and has thus classified the leases as operating leases.

Impairment of available for sale investments
The group holds a portfolio of available for sale investments which are subject to market fluctuations and which are recorded at fair value (market value) at year end. In determining whether the specific investments within the portfolio have been permanently impaired and the decline in value should therefore be written off in the Statement of Comprehensive Income the group has exercised judgement on the nature of the investment, its market segment, its liquidity / tradability in the market, and whether the decline is prolonged and / or significant.

Impairment of non financial assets
Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

The Group assesses impairment of all assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. These include market values, asset performance, technological obsolescence, economic, political and legal environment and future usage expectations. If an impairment trigger exists the recoverable amount of the asset is determined and compared to the carrying amount.

Make good provisions
A provision has been made for the present value of anticipated costs of future restoration of leased retail premises. The provision includes future cost estimates associated with restoring the premises to a condition as required by the landlords. The calculation of this provision requires assumptions around costs for these restorations. These uncertainties may result in future actual expenditure differing from the amounts currently provided. The provision for each location is reviewed at each reporting date and updated based on facts and circumstances available at the time. Changes to the estimated future costs are recognised in the Statement of Financial Position by adjusting the asset and provision, and adjusting any movement through the Statement of Comprehensive Income.

Estimation of useful lives of assets
The estimation of useful lives of assets has been based on historical experience as well as manufacturers' warranties and lease terms. In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

(d) Revenue recognition

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Grant Income
Grants received from government and non-government organisations are recognised as income as they are expended on the program to which they relate. Unexpended grants are recognised as liabilities to reflect the obligation to repay any unspent portion of grants at the completion of the program.

(ii) Community Support Income
Community Support Income is recognised when control over that income has been obtained.

Notes (continued)

YEAR ENDED 30 JUNE 2013

2. Summary of significant accounting policies (cont)

(d) Revenue recognition (cont)

(iii) Sale of Goods
Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, the costs incurred or to be incurred in respect of the transaction can be measured reliably, no further work or processing is required and the quantity and quality of the goods has been determined. Risks and rewards of ownership are considered passed to the buyer at the time of delivery to the customer for retail sales. Revenue for Mail Order and wholesale sales is recognised on issue of dispatch advice making stock unavailable to others, given stock is on hand.

(iv) Interest
Revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

(v) Dividends
Revenue is recognised when the Group's right to receive the payment is established.

(vi) Rental Income
Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease term and included in revenue due to its operating nature.

(e) Program expenditure

Expenditure on program related activities in Australia is recognised when incurred. Expenditure on overseas program related activities is recognised when the funds are remitted to the overseas partner for partner implemented programs, or when the funds are spent by the overseas field office, for programs implemented by the field offices.

(f) Borrowing costs

All borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that the group incurs in connection with borrowing funds. Borrowing costs are recognised as an expense using the effective interest method.

(g) Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement at the inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

(i) Group as a Lessee

Operating Leases
Leases in which the lessor retains substantially all the risks and benefits incidental to ownership of a leased item are classified as operating leases. Operating lease payments, where the lease agreement contains a fixed incremental increase, are recognised as an expense in the income statement on a straight-line basis over the lease term. All other lease payments are recognised in line with cash flows.

(ii) Group as a Lessor
Leases in which the Group retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as rental income.

(h) Cash and cash equivalents

Cash and short-term deposits 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, net of outstanding bank overdrafts.

Notes (continued)

YEAR ENDED 30 JUNE 2013

2. Summary of significant accounting policies (cont)

(i) Trade and other receivables

Trade receivables, which generally have 30-90 day terms, are recognised and carried at original invoice amount less an allowance for any impairment.

Other receivables are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method less an allowance for impairment.

Collectability of trade receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An impairment provision is recognised when there is objective evidence that the Group will not be able to collect the receivable. Financial difficulties of the debtor and default payments are considered objective evidence of impairment.

(j) Inventories

Inventories are valued at the lower of cost and current replacement cost. Costs incurred in bringing each product to its present location and condition are accounted for as follows:
Finished goods – cost of direct materials, conversion and delivery but excluding borrowing costs.
Raw materials – purchase cost on a first in first out basis

Current replacement cost is the cost that the entity would incur to acquire the asset on the reporting date.

Inventory is regularly checked for obsolescence and values at the lower of cost and current replacement cost.

(k) Foreign currency transactions and balances

Both the functional and presentation currency of Oxfam Australia and its subsidiaries are Australian dollars ($).

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date.

All exchange differences in the consolidated report are taken to profit or loss.

Advance payments are made to overseas suppliers upon placement of an order by the group. Orders are mostly placed in a foreign currency and the advance payments are made in this same currency. Upon transit of the stock the balance of the payment is made. The stock is costed at the weighted average of the cost in Australian dollars of the advance and the final payment.

(l) Income taxes

Oxfam Australia and its subsidiary Oxfam Australia Trading Pty Ltd, being charitable organisations have applied for and gained exemption from Income Tax. This exemption will remain in force unless there is any change to the legislation, ownership of the companies or their constituent documents or activities.

(m) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

(i) when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

(ii) receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Cash Flow Statement 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 taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Notes (continued)

YEAR ENDED 30 JUNE 2013

2. Summary of significant accounting policies (cont)

(n) Property, Plant & Equipment

Plant and Equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement cost only if it is eligible for capitalisation.

Land and buildings are stated at cost less accumulated depreciation on buildings. Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Buildings	40 years
Investment properties	40 years
Plant and equipment	3 - 5 years

The assets' residual values, useful lives and amortisation methods are reviewed and adjusted if appropriate at each financial year end.

(i) Impairments
The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset.

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the profit or loss. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

For property, plant and equipment, impairment losses are recognised in the Statement of Comprehensive Income and allocated across profit centres.

(ii) Derecognition and disposal
An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the year the asset is derecognised.

Notes (continued)

YEAR ENDED 30 JUNE 2013

2. Summary of significant accounting policies (cont)

(o) Investment properties

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met; and excludes the costs of day-to-day servicing of an investment property.

Investment properties are subsequently carried at cost less any accumulated depreciation and impairment losses.

Investment properties are derecognised either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year of retirement or disposal.

Transfers are made to investment property when, and only when, there is a change in use, evidenced by ending of owner-occupation, or commencement of an operating lease to another party. Transfers are made from investment property when there is a change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale.

(p) Investments and other financial assets

Investments and financial assets in the scope of AASB 139 *Financial Instruments: Recognition and Measurement* are categorised as either financial assets at fair value, held-to-maturity investments, or available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Designation is re-evaluated at each financial year end, but there are restrictions on reclassifying to other categories.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of assets not at fair value through profit or loss, directly attributable transactions costs.

Recognition and Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the asset have expired or have been transferred. All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date that the Group commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets under contracts that require delivery of the assets within a period established generally by regulation or convention in the market place.

(i) Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loan and receivables are derecognised or impaired, as well as through the amortisation process. These are included in current assets, except for those with maturities greater than 12 months after balance date, which are classified as non current.

(ii) Available-for-sale investments
Available-for-sale investments are those non-derivative financial assets that are designated as available-for-sale or are not classified as any of the two preceding categories or as fair value through the profit and loss. After initial recognition available-for-sale investments are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised or until investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is recognised in surplus or deficit.

The fair value investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on reporting date. For investments with no active market, fair value is determined using valuation techniques. Such techniques include using recent arms' length market transactions; making as much use of available and supportable market data as possible and keeping judgmental inputs to a minimum.

Notes (continued)

YEAR ENDED 30 JUNE 2013

2. Summary of significant accounting policies (cont)

(q) Trade and other payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. These are normally settled on 30 day terms and are unsecured.

(r) Interest-bearing loans and borrowings

All loans and borrowings are initially recognised at cost, being the fair value of the consideration received less directly attributable borrowing costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Gains and losses are recognised in profit or loss when the liabilities are derecognised.

(s) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability.

(t) Employee benefits

Provision is made for employee benefits accumulated as a result of employees rendering services up to reporting date. These benefits include wages, salaries, annual leave and long service leave.

(i) Wages, salaries and annual 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 other payables or provision for employee benefits 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.

(ii) Long service leave
The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on Australian government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

(iii) Superannuation
Contributions are made by the Group to an employee superannuation fund and are charged as expenses when incurred. The Group has no legal obligation to cover any shortfall in the fund's obligation to provide benefits to employees upon retirement.

(u) Derivative financial instruments and hedging

The Group uses derivative financial instruments (including forward currency contracts) to hedge its risks associated with foreign currency. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured to fair value.

Derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss for the year.

Notes (continued)

YEAR ENDED 30 JUNE 2013

2. Summary of significant accounting policies (cont)

(v) Intangible assets

Intangible assets are recorded at cost less accumulated amortisation and impairment. Amortisation is charged on a straight line basis over the estimated useful life of the asset. The estimated useful life varies and as a result the amortisation method is reviewed at the end of each annual reporting period. The amortisation has been recognised in the Statement of Comprehensive Income in the line item "administration costs". If an impairment indication arises, the recoverable amount is estimated and an impairment loss is recognised to the extent that the recoverable amount is lower than the carrying amount.

Intangible assets are amortised over a period of two to five years.

(w) Comparative figures

Where necessary, comparative figures have been adjusted to conform with changes in presentation in this financial report

Notes (continued)

YEAR ENDED 30 JUNE 2013

3. Revenue and expenses

	CONSOLIDATED		PARENT	
	2013	**2012**	**2013**	**2012**
	$	**$**	**$**	**$**
(a) Community Support Income				
Donations and gifts	41,073,247	47,237,781	41,073,247	47,237,781
Legacies and bequests	1,841,201	2,083,023	1,841,201	2,083,023
	42,914,448	**49,320,804**	**42,914,448**	**49,320,804**
(b) Grants				
Australian government grants (AusAID)	22,559,838	18,694,299	22,559,838	18,694,299
Australian government grants (other)	146,541	81,400	146,541	81,400
Non government Australian grants	460,922	661,003	460,922	661,003
Non government overseas grants	1,964,221	2,911,586	1,964,221	2,911,586
	25,131,522	**22,348,288**	**25,131,522**	**22,348,288**
(c) Investment Income				
Rental Income	21,656	13,880	-	-
Interest received or receivable	386,478	425,599	367,015	402,058
Dividends received	7,452	74,043	7,452	74,043
Net realised (losses) / gains on disposal of available for sale investments	2,000	(47,656)	2,000	(47,656)
	417,587	**465,866**	**376,467**	**428,445**
(d) Other Operating Income				
Foreign currency transaction gains	397,583	-	397,960	-
Gain on disposal of property, plant and equipment	40,929	32,903	88,960	83,437
Other income	220,796	426,338	202,928	396,571
	659,309	**459,241**	**689,848**	**480,008**
(e) Program Costs				
Funds to overseas programs	36,675,825	34,655,632	36,675,825	34,655,632
Domestic program	288,782	1,488,901	288,782	1,488,901
Other project costs	2,970,213	5,104,217	2,970,213	5,104,217
Public policy and education program	5,552,928	7,595,222	5,552,928	7,595,222
Development and effectiveness	854,206	159,854	854,206	159,854
	46,341,954	**49,003,826**	**46,341,954**	**49,003,826**

Notes (continued)

YEAR ENDED 30 JUNE 2013

	CONSOLIDATED		PARENT	
	2013	2012	2013	2012
	$	$	$	$
3. Revenue and expenses (cont)				
(f) Administration costs				
Depreciation of:				
Building	345,296	384,754	322,439	362,048
Investment property	5,079	5,046	-	-
Plant and equipment	338,255	507,304	179,465	155,202
Amortisation of intangible assets	494,598	497,500	424,043	413,496
Lease payments - operating leases	2,339,555	2,836,019	752,871	939,192
Administration staff costs				
Salaries	4,496,641	4,599,207	2,983,874	3,066,725
Superannuation	458,683	491,737	320,994	355,534
Retail staff costs				
Salaries	1,807,526	2,161,194	-	-
Superannuation	162,201	194,943	-	-
Bank Charges	196,519	148,264	101,550	52,348
Insurance	236,828	348,838	193,842	262,389
Other operating costs	2,628,362	2,772,284	2,628,362	2,772,284
Subsidiary operating costs	2,455,669	2,432,428	-	-
	15,965,212	**17,379,518**	**7,907,439**	**8,379,218**
(g) Foreign exchange movements				
Foreign currency losses	-	**182,486**	-	**186,098**
(h) Finance costs				
Finance charges	**90,027**	**356,166**	-	-

Notes (continued)

YEAR ENDED 30 JUNE 2013

4. Cash and cash equivalents

Cash at bank earns interest at floating rates based on daily bank deposit rates.

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

	CONSOLIDATED		PARENT	
	2013	2012	2013	2012
	$	$	$	$
Cash at bank and in hand	19,951,958	15,471,647	19,873,346	15,038,017
Short-term deposits	69,948	115,832	-	4,375
	20,021,906	**15,587,479**	**19,873,346**	**15,042,392**

(a) Reconciliation of net surplus to net cash flows from operations

Surplus	3,633,115	2,409,035	3,633,115	2,409,035
Adjustments for:				
Depreciation and Amortisation	1,183,228	1,394,604	925,947	930,746
Write down of intangibles	7,606	-	7,606	-
Loss / (Gains) on sale of plant & equipment	(40,929)	(32,903)	(88,960)	(83,437)
Loss / (Gains) on sale of available for sale investments	(2,000)	47,656	(2,000)	47,656
Impairment of investment in subsidiary	-	-	1,131,112	2,070,743
Interest / dividend income classified as investing cash flow	(22,844)	(259,591)	(22,844)	(259,591)
Changes in assets and liabilities:				
(Increase) / decrease in current receivables	(119,817)	(1,594,462)	(85,018)	(1,221,390)
(Increase) / decrease in other current assets	(45,728)	(56,156)	65,249	(146,942)
(Increase) / decrease in inventories	(37,243)	5,131	-	-
(Decrease) / increase in trade creditors and accruals	2,804,699	2,700,912	2,788,391	2,828,258
(Decrease) / increase in provisions	(189,126)	(315,595)	120,574	(175,001)
Net cash from / (used in) operating activities	**7,170,961**	**4,298,631**	**8,232,024**	**6,400,077**

5. Trade and other receivables

	CONSOLIDATED		PARENT	
	2013	2012	2013	2012
Current	$	$	$	$
Trade and other receivables	2,414,349	2,821,385	1,588,185	2,030,020
Loan receivable from Oxfam affiliate (i)	53,884	67,530	53,884	67,530
Related party receivables (ii)	-	-	100,935	81,738
Foreign currency receivables	588,722	67,420	588,722	67,420
	3,056,955	**2,956,335**	**2,331,726**	**2,246,708**
Non-current				
Loan receivable from Oxfam affiliate (i)	161,650	202,590	161,650	202,590
	161,650	**202,590**	**161,650**	**202,590**

Notes (continued)

YEAR ENDED 30 JUNE 2013

5. Trade and other receivables (cont)

Non-current (cont)

(i) The loan receivable is for a term of five years at an interest rate of 5% and with repayments due annually.
(ii) For terms and conditions relating to related party receivables refer note 18.

Impairment losses

Trade receivables are non-interest bearing and are on 60 day terms. A provision for doubtful debt is recognised when there is objective evidence that an individual trade receivable is impaired. An impairment loss of $498 (2012: $58,518) has been recognised by the Group in the current year. These amounts have been included in the administration expense item.

6. Inventories (current)

	CONSOLIDATED		PARENT	
	2013	2012	2013	2012
	$	$	$	$
Inventory held for sale				
Raw materials	178,593	151,619	-	-
Finished Goods	2,482,793	2,472,524	-	-
Total inventories	**2,661,386**	**2,624,143**	-	-

Inventory expense
Inventories recognised as an expense for the year ended 30 June 2013 totalled $6,506,624(2012: $6,587,248) for the Group. This expense has been included in the cost of sales line item. Inventories written down as an expense for the year ended 30 June 2013 totalled $119,694 (2012: $22,996) for the Group. This expense has been included in the cost of sales line item.

7. Other Current Assets (current)

	CONSOLIDATED		PARENT	
	2013	2012	2013	2012
	$	$	$	$
Prepayments	1,067,525	1,021,797	333,874	399,123
	1,067,525	**1,021,797**	**333,874**	**399,123**

8. Investments in subsidiary (non-current)

	CONSOLIDATED		PARENT	
	2013	2012	2013	2012
	$	$	$	$
Shares in controlled entities				
- at cost (i)	-	-	13,711,120	10,286,716
- less impairment	-	-	(9,754,197)	(8,623,085)
	-	-	**3,956,923**	**1,663,631**

(i) For details of equity investments in controlled entities refer to note 18.
The ability of the subsidiary to continue as a going concern and pay its debts as and when they fall due is dependent on the support of the parent. The Board of the parent has committed to providing this support.

Notes (continued)

YEAR ENDED 30 JUNE 2013

9. Available-for-sale financial assets

	CONSOLIDATED		PARENT	
	2013	**2012**	**2013**	**2012**
	$	**$**	**$**	**$**
Current				
Investments held by UBS at fair value (i)	90,957	100,717	90,957	100,717
	90,957	**100,717**	**90,957**	**100,717**
Non-current				
Shares (other) – listed (ii)	1,847	1,315	1,847	1,315
Shares – unlisted (iii)	20,000	20,000	20,000	20,000
	21,847	**21,315**	**21,847**	**21,315**

(i) Investments held by UBS are a diversified portfolio of Cash, Fixed Interest, Domestic and International Equities. The current portion of the portfolio represents quarantined amounts to fund working capital requirements in 2013/14.
(ii) Listed shares (other) are carried at market value and are classed as other non-current assets as they are held for advocacy purposes in order to attend Annual General Meetings rather than for trading or investment purposes.
(iii) Unlisted shares are carried at cost and are classed as other non-current assets as they are held for long-term investment purposes.

Notes

YEAR ENDED 30 JUNE 2013

10. Property, plant and equipment

Year ended 30 June 2013

	CONSOLIDATED			PARENT		
	Freehold, land and buildings $	**Plant and equipment $**	**Total $**	**Freehold, land and buildings $**	**Plant and equipment $**	**Total $**
At 30 June 2012, net of accumulated depreciation	9,912,589	743,050	10,655,639	8,942,695	509,916	9,452,611
Additions	60,076	152,715	212,791	29,076	129,089	158,165
Additions (capital works in progress)	-	35,310	35,310	-	-	-
Disposals	-	(48,031)	(48,031)	-	-	-
Depreciation charge for the year	(345,296)	(338,255)	(683,551)	(322,439)	(179,465)	(501,904)
At 30 June 2013, net of accumulated depreciation	9,627,369	544,789	10,172,158	8,649,332	459,540	9,108,872
At 1 July 2012						
At cost	11,993,744	4,432,411	16,426,155	10,678,290	1,813,318	12,491,608
Accumulated depreciation	(2,081,155)	(3,689,361)	(5,770,516)	(1,735,595)	(1,303,402)	(3,038,997)
Net carrying amount	9,912,589	743,050	10,655,639	8,942,695	509,916	9,452,611
At 30 June 2013						
At cost	12,053,819	3,834,733	15,888,552	10,707,366	1,942,407	12,649,773
Accumulated depreciation	(2,426,450)	(3,289,944)	(5,716,394)	(2,058,034)	(1,482,867)	(3,540,901)
Net carrying amount	9,627,369	544,789	10,172,158	8,649,332	459,540	9,108,872

Notes (continued)

YEAR ENDED 30 JUNE 2013

10. Property, plant and equipment (Cont)

Year ended 30 June 2012

	CONSOLIDATED			PARENT		
	Freehold, land and buildings $	Plant and equipment $	Total $	Freehold, land and buildings $	Plant and equipment $	Total $
At 30 June 2011, net of accumulated depreciation	10,297,344	1,274,307	11,571,651	9,304,743	644,874	9,949,617
Additions	-	19,828	19,828	-	12,695	12,695
Additions (capital works in progress)	-	7,549	7,549	-	7,549	7,549
Disposals	-	(51,330)	(51,330)	-	-	-
Depreciation charge for the year	(384,755)	(507,304)	(892,059)	(362,048)	(155,202)	(517,250)
At 30 June 2012, net of accumulated depreciation	9,912,589	743,050	10,655,639	8,942,695	509,916	9,452,611
At 1 July 2011						
At cost	11,993,744	4,932,714	16,926,458	10,678,290	1,793,074	12,471,364
Accumulated depreciation	(1,696,400)	(3,658,407)	(5,354,807)	(1,373,547)	(1,148,200)	(2,521,747)
Net carrying amount	10,297,344	1,274,307	11,571,651	9,304,743	644,874	9,949,617
At 30 June 2012						
At cost	11,993,744	4,432,411	16,426,155	10,678,290	1,813,318	12,491,608
Accumulated depreciation	(2,081,155)	(3,689,361)	(5,770,516)	(1,735,595)	(1,303,402)	(3,038,997)
Net carrying amount	9,912,589	743,050	10,655,639	8,942,695	509,916	9,452,611

Notes (continued)

YEAR ENDED 30 JUNE 2013

11. Intangible Assets

Year ended 30 June 2013

	CONSOLIDATED			PARENT		
	Computer Software $	**Product Design & Development $**	**Total $**	**Computer Software $**	**Product Design & Development $**	**Total $**
At 30 June 2012, net of accumulated amortisation	1,002,284	42,447	1,044,731	928,087	-	928,087
Additions	5,600	7,972	13,572	-	-	-
Disposals	(7,606)	-	(7,606)	(7,606)	-	(7,606)
Amortisation charge for the year	(476,584)	(18,014)	(494,598)	(424,043)	-	(424,043)
At 30 June 2013, net of accumulated amortisation	523,694	32,405	556,099	496,438	-	496,438
At 1 July 2012						
At cost	2,267,768	63,176	2,330,944	2,089,335	-	2,089,335
Accumulated amortisation	(1,265,484)	(20,729)	(1,286,213)	(1,161,248)	-	(1,161,248)
Net carrying amount	1,002,284	42,447	1,044,731	928,087	-	928,087
At 30 June 2013						
At cost	2,265,762	71,148	2,336,910	2,081,729	-	2,081,729
Accumulated amortisation	(1,742,067)	(38,744)	(1,780,811)	(1,585,291)	-	(1,585,291)
Net carrying amount	523,695	32,404	556,099	496,438	-	496,438

Notes (continued)

YEAR ENDED 30 JUNE 2013

11. Intangible Assets (Cont)

Year ended 30 June 2012

	CONSOLIDATED			PARENT		
	Computer Software $	Product Design & Development $	Total $	Computer Software $	Product Design & Development $	Total $
At 30 June 2011, net of accumulated amortisation	1,438,342	45,016	1,483,358	1,290,629	-	1,290,629
Additions	65,344	9,158	74,502	50,954	-	50,954
Disposals	(15,629)	-	(15,629)	-	-	-
Amortisation charge for the year	(485,773)	(11,727)	(497,500)	(413,496)	-	(413,496)
At 30 June 2012, net of accumulated amortisation	1,002,284	42,447	1,044,731	928,087	-	928,087
At 1 July 2011						
At cost	2,218,054	54,018	2,272,072	2,038,382	-	2,038,382
Accumulated amortisation	(779,712)	(9,002)	(788,714)	(747,753)	-	(747,753)
Net carrying amount	1,438,342	45,016	1,483,358	1,290,629	-	1,290,629
At 30 June 2012						
At cost	2,267,768	63,176	2,330,944	2,089,335	-	2,089,335
Accumulated amortisation	(1,265,484)	(20,729)	(1,286,213)	(1,161,248)	-	(1,161,248)
Net carrying amount	1,002,284	42,447	1,044,731	928,087	-	928,087

Notes

YEAR ENDED 30 JUNE 2013

11. Intangible Assets (Cont)

Description of the Group's intangible assets

(i) Product design and development costs
Development costs are carried at cost less accumulated amortisation and accumulated impairment losses. This intangible asset has been assessed as having a finite life and is amortised using the straight line method over a period of 5 years. The amortisation has been recognised in the statement of comprehensive income in the line item "administration costs". If an impairment indication arises, the recoverable amount is estimated and an impairment loss is recognised to the extent that the recoverable amount is lower than the carrying amount.

(ii) Computer software costs
Development costs are carried at cost less accumulated amortisation and accumulated impairment losses. This intangible asset has been assessed as having a finite life and is amortised using the straight line method over a period of 2 to 3 years. The amortisation has been recognised in the statement of comprehensive income in the line item "administrative expense". If an impairment indication arises, the recoverable amount is estimated and an impairment loss is recognised to the extent that the recoverable amount is lower than the carrying amount.

12. Investment properties

	CONSOLIDATED		PARENT	
	2013	2012	2013	2012
	$	$	$	$
At 1 July, net of accumulated depreciation and impairment	117,810	122,856	-	-
Depreciation charge for the year	(5,079)	(5,046)	-	-
At 30 June, net of accumulated depreciation and impairment	**112,731**	**117,810**	**-**	**-**

As is consistent with property, plant and equipment, the Group has opted to use the cost model rather than the revaluation model when measuring investment properties. The investment property measured above forms part of the freehold land and building at Athol Park, South Australia that is leased out to tenants. The valuation of the Athol Park property includes the leased portion of the property. The investment property was last valued on 25 May 2010 at $400,000.

Fair value represents that amount at which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction at the valuation date.

The investment property is leased on a month by month basis. Therefore, there is no contingent commitment in relation to the rental of these properties.

13. Trade and other payables

Payables (current)	CONSOLIDATED		PARENT	
	2013	2012	2013	2012
	$	$	$	$
Trade payables (i)	398,588	312,516	-	-
Other payables and accrued expenses (ii)	4,246,565	2,874,263	4,020,109	2,565,263
Unexpended grant income (iii)	11,336,319	10,002,774	11,336,319	10,002,774
	15,981,472	**13,189,553**	**15,356,428**	**12,568,037**

Notes (continued)

YEAR ENDED 30 JUNE 2013

13. Trade and other payables (cont)

Payables (non-current)

	CONSOLIDATED		PARENT	
	2013	2012	2013	2012
	$	$	$	$
Other payables and accrued expenses	-	6,417	-	-
	-	6,417	-	-

(i) Trade payables are non-interest bearing and are normally settled on 60 day terms
(ii) Other payables are non-interest bearing and have average terms ranging from 30 days to 6 months.
(iii) Refer to note 2(d) for information on the recognition of grant income

14. Interest-bearing loans and borrowings

	CONSOLIDATED		PARENT	
	2013	2012	2013	2012
	$	$	$	$
Current				
Secured bank loan	-	1,300,000	-	-
Unsecured trade finance	230,887	1,587,247	-	-
	230,887	2,887,247	-	-

Borrowing facilities

Bank loan
The loan was repaid in full in December 2012

Trade finance
The trade finance facility is a $500,000 unsecured facility with Shared Interest Society with terms of five (5) months. It is used for purchases of inventory for sale and also acts as a clearing house, assisting fair trade producers and retailers.

Notes (continued)

YEAR ENDED 30 JUNE 2013

	CONSOLIDATED		PARENT	
	2013	2012	2013	2012
	$	$	$	$
14. Interest-bearing loans and borrowings (cont)				

Financing facilities available

At reporting date, the following financing facilities had been negotiated and were available:

	CONSOLIDATED 2013 $	CONSOLIDATED 2012 $	PARENT 2013 $	PARENT 2012 $
Total facilities				
Bank Overdraft	5,000,000	2,000,000	3,000,000	-
Bank Loan	-	1,300,000	-	-
Trade Finance	500,000	2,500,000	-	-
Visa Business Card	250,000	250,000	250,000	250,000
MasterCard Business Card	-	75,000	-	75,000
Facilities used at balance date				
Bank Overdraft	-	-	-	-
Bank Loan	-	1,300,000	-	-
Trade Finance	230,887	1,587,247	-	-
Visa Business Card	4,221	-	4,221	-
MasterCard Business Card	-	-	-	-
Facilities unused at balance date				
Bank Overdraft	5,000,000	2,000,000	3,000,000	-
Bank Loan	-	-	-	-
Trade Finance	269,113	912,753	-	-
Visa Business Card	245,779	250,000	245,779	250,000
MasterCard Business Card	-	75,000	-	75,000

Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current interest bearing liabilities

	CONSOLIDATED 2013 $	CONSOLIDATED 2012 $	PARENT 2013 $	PARENT 2012 $
Non Current				
Mortgage				
Freehold land and buildings	9,627,369	9,912,589	8,649,332	8,942,695
Investment Property	112,731	117,810	-	-
Total assets pledged as security	**9,740,100**	**10,030,399**	**8,649,332**	**8,942,695**

Westpac Bank hold a Fixed & Floating charge over all assets of Oxfam Australia.

Defaults and breaches
During the current and prior years, there were no defaults or breaches on any of the loans.

Notes

YEAR ENDED 30 JUNE 2013

15. Provisions

Consolidated

	Long service leave $	Annual leave $	Redundancy $	Refunds $	Make good provision $	Operating Lease provision $	Total $
At 1 July 2012	2,686,876	1,242,493	904,821	-	300,000	67,765	5,201,955
Net changes during the year	(191,008)	239,576	(113,687)	-	(85,000)	(39,006)	(189,125)
At 30 June 2013	2,495,868	1,482,069	791,134	-	215,000	28,759	5,012,830
Current 2013	1,867,128	1,482,069	791,134	-	20,000	24,429	4,184,760
Non-current 2013	628,740	-	-	-	195,000	4,330	828,070
	2,495,868	**1,482,069**	**791,134**	**-**	**215,000**	**28,759**	**5,012,830**
At 1 July 2011	2,665,053	1,905,546	355,209	111,397	360,000	120,345	5,517,550
Net changes during the year	21,823	(663,053)	549,612	(111,397)	(60,000)	(52,580)	(315,595)
At 30 June 2012	2,686,876	1,242,493	904,821	-	300,000	67,765	5,201,955
Current 2012	1,904,831	1,242,493	904,821	-	80,000	39,006	4,171,151
Non-current 2012	782,045	-	-	-	220,000	28,759	1,030,804
	2,686,876	**1,242,493**	**904,821**	**-**	**300,000**	**67,765**	**5,201,955**

Notes (continued)

YEAR ENDED 30 JUNE 2013

Parent

	Long service leave $	Annual leave $	Redundancy $	Donor refunds $	Total $
At 1 July 2012	2,423,109	1,113,823	904,821	-	4,441,753
Net changes during the year	(227,613)	220,726	(113,687)	-	(120,574)
At 30 June 2013	2,195,496	1,334,549	791,134	-	4,321,179
Current 2013	1,631,342	1,334,549	791,134	-	3,757,025
Non-current 2013	564,154	-	-	-	564,154
	2,195,496	**1,334,549**	**791,134**	**-**	**4,321,179**
At 1 July 2011	2,415,321	1,734,827	355,209	111,397	4,616,754
Net changes during the year	7,788	(621,004)	549,612	(111,397)	(175,001)
At 30 June 2012	2,423,109	1,113,823	904,821	-	4,441,753
Current 2012	1,727,313	1,113,823	904,821	-	3,745,957
Non-current 2012	695,796	-	-	-	695,796
	2,423,109	**1,113,823**	**904,821**	**-**	**4,441,753**

Notes

YEAR ENDED 30 JUNE 2013

16. Financial risk management objectives and policies

The Group's principal financial instruments comprise available-for-sale UBS investments, bank loans and overdrafts, cash and short term deposits.

The main purpose of the financial instruments is to finance the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations. The Group also enters into derivative transactions - predominantly forward exchange contracts. The purpose is to manage the currency risks arising from the Group's operations and its sources of finance. It is, and has been throughout the period under review, the Group's policy that no trading in financial instruments shall be undertaken. The main risks arising from the Group's financial instruments are cash flow equity risk, interest rate risk, liquidity risk, foreign currency risk and credit risk.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in note 2 to the financial statements.

17. Commitments and contingencies

Operating lease commitments - Group as a lessee

The Group has entered into a number of commercial leases. Oxfam Australia (the parent entity) has entered into a number of leases for IT equipment. The leases are for three to four years with no renewal option included in the contracts. Oxfam Australia also has a number of leases for state office premises. These leases range in life from between 12 months and 5 years with renewal terms included in the contracts.

Oxfam Australia Trading Pty Ltd has entered into leases for shop premises. These leases have an average life of between 3 and 6 years with renewal terms included in the contracts. There are no restrictions placed upon the lessee by entering into any of these leases.

Future minimum rentals payable under non-cancellable operating leases as at 30 June are as follows:

	CONSOLIDATED		PARENT	
	2013 $	2012 $	2013 $	2012 $
Payable				
Within one year	1,380,133	1,708,085	372,009	594,587
After one year but not more than five years	2,341,048	2,407,846	394,665	894,125
After more than five years	7,861	51,534	-	-
Total minimum lease repayments	3,729,042	4,167,465	766,674	1,488,712

Operating lease commitments - Group as lessor

Oxfam Australia Trading Pty Ltd leases a portion of its Athol Park property. The lease is on a month by month basis, therefore there is no contingent commitment in relation to the rental of these properties.

Guarantees

The Group has the following guarantees at 30 June 2013

(i) Bank guarantee of $126,530 in favour of the lease vendor of state offices as security in case of default

(ii) Bank guarantees totalling $257,638 held by lease vendors of retail sites as security in case of default.

Program Expenditure

The parent entity has issued approvals to its project partners in developing countries for the funding of core projects, many of which have either not been commenced or are in progress at 30 June 2013. However, there is no legal commitment to fund these projects as all approvals are issued "subject to availability of funds".

Notes (continued)

YEAR ENDED 30 JUNE 2013

17. Commitments and contingencies (cont)

Superannuation Commitments

The parent entity contributes to various superannuation funds on behalf of each employee for the provision of benefits to employees of the Consolidated Group on retirement or death. A component of the remuneration for parent entity employees is comprised of superannuation contributions in excess of the statutory minimum. Employees voluntarily contribute various percentages of their gross income and the company contributes at the rate of 2% of the employee's gross income in respect of participating employees. Contributions by the Company of up to 9.25% of employee's gross income are legally enforceable in Australia.

Contingent Liabilities

No contingent liabilities exist at 30 June 2013.

18. Related party disclosures

The consolidated financial statements include the financial statements of Oxfam Australia and the subsidiaries listed in the following table.

	Country of Incorporation	% Equity Interest		Investment	
		2013	2012	2013	2012
Name					
Oxfam Australia Trading Pty Ltd	Australia	100	100	3,956,923	1,663,631
				3,956,923	1,663,631

Oxfam Australia is the ultimate parent company, incorporated in Australia.

The following table provides the total amount of transactions that were entered into with related parties for the relevant financial year (for information regarding outstanding balances at year-end, refer to note 5 and note 8):

Related Party		Sales to related parties $	Purchases from related parties $	Amounts owed by related parties $	Amounts owed to related parties $
Oxfam Australia					
Subsidiary:					
Oxfam Australia Trading Pty Ltd	2013	-	47,907	96,023	-
Oxfam Australia Trading Pty Ltd	2012	-	34,667	81,738	-

Terms and conditions of transactions with related parties

Sales to and purchases from related parties are made in arm's length transactions both at normal market prices and on normal commercial terms. Outstanding trade balances at year-end are unsecured, interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

19. Events after the balance sheet date

The $2,000,000 borrowing facility for Oxfam Australia Trading with Westpac Banking Corporation was closed on 17 October 2013. Also, Oxfam Australia Trading received Charitable Status in Queensland on 15 June 2013 and has been granted for full exemption from prior period Queensland payroll tax.

Notes (continued)

YEAR ENDED 30 JUNE 2013

20. Auditor's remuneration

The auditor of Oxfam Australia is Ernst & Young (Australia).

	CONSOLIDATED		PARENT	
	2013 $	2012 $	2013 $	2012 $
Amounts received or due and receivable by Ernst & Young (Australia) for:				
- Auditing or review of the financial report of the entity and any other entity in the consolidated group	132,481	134,025	90,045	92,825
- Other services in relation to the entity and any other entity in the consolidated group-				
- assurance related	-	3,605	-	3,605
- non-assurance related	33,833	-	33,833	-
	166,314	**137,630**	**123,878**	**96,430**

21. Director and executive disclosures

(a) Details of Directors and Executives

(i) Directors

Jane Hutchison	Chair (non-executive)
Ian Anderson	Deputy Chair (non-executive)
Ann Byrne	Director (non-executive)
Fiona Kotvojs	Director (non-executive) (from Dec 2012)
Melissa Houghton	Director (non-executive) (from Dec 2012)
Mark Pryn	Director (non-executive)
Peter Croft	Director (non-executive)
Michelle Imison	Director (non-executive) (to Sep 2012)
Patrick Kilby	Director (non-executive) (to Sep 2012)
Susan Black	Director (non-executive)
Lyn Carson	Director (non-executive) (to Mar 2013)
Eversley Mortlock	Director (non-executive) (to Aug 2012)
Alan Wu	Director (non-executive)
Dennis Goldner	Director (non-executive)
Elizabeth Reid	Director (non-executive)
Michael Henry	Director (non-executive) (to Dec 2012)
Adrienne Farago	Director (non-executive) (to Dec 2012)

(ii) Board staff participants

Sabina Curatolo	Staff Participant (from Dec 2012)
Jez Hunghanfoo	Staff Participant (to Dec 2012)

Notes (continued)

YEAR ENDED 30 JUNE 2013

21. Director and executive disclosures (cont)

(a) Details of Directors and Executives (cont)

(iii) Executives

Dr Helen Szoke	Chief Executive
Tony McKimmie	Chief Operating Officer
Alexia Huxley	Director of International Programs
Anthony Alexander	Chief Financial Officer
Gregg Vines	Director of Public Engagement

All of the aforementioned executives are not members of the Oxfam Australia Board.

(b) Compensation of Key Management Personnel

The Directors of the controlled entities or parent entity serve voluntarily and do not receive any remuneration for their services as Directors.

Remuneration relates to employees of Oxfam Australia who are Directors of the controlled entities by virtue of their position with Oxfam Australia.

(i) Executive Compensation Policy

The performance of the Group depends upon the quality and commitment of its senior management. To prosper, the Group must attract, motivate and retain highly skilled and committed executives but keeping in mind the place of the Group in the not-for-profit sector.

To this end, the Group takes into account the following key considerations:

- satisfactory annual reviews of performance
- relevant comparative remuneration
- independent advice

Executive remuneration is reviewed every three years to coincide with the Enterprise Bargaining Agreement negotiations for staff remunerations. At this time, a number of Board Directors convene to advise on remuneration. This group is responsible for reviewing the compensation arrangements of the key executives and bringing proposals regarding the remuneration to the full Board of Directors for consideration.

(ii) Compensation structure

In determining the level of executive remuneration, the Remuneration Committee engaged an external consultant to provide independent advice in the form of a written report detailing market levels of remuneration for comparable executive roles.

Remuneration of the key management personnel for the year ended 30 June 2013 is tabled below:

Notes (continued)

YEAR ENDED 30 JUNE 2013

21. Director and executive disclosures (cont)

(b) Compensation of Key Management Personnel (cont)

(ii) Compensation structure (cont)

	CONSOLIDATED	
	2013	2012
	$	$
Short-term employee benefits	849,034	1,147,423
Post-employment benefits		
Superannuation	75,068	116,577
Retirement	414,614	-
Total compensation	**1,338,716**	**1,264,000**

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.

	CONSOLIDATED		PARENT	
	2013	2012	2013	2012
	$	$	$	$
Income paid or payable to Directors of subsidiaries as a result of their position with the parent entity	184,770	209,901	-	-
Income paid or payable to all Directors of the parent entity by the parent entity and any related parties.	-	-	-	-

The following executives have positions as Directors on the Boards of subsidiary entities:

	2013	2012
Oxfam Australia Trading Pty Ltd	A Hewett	

22. Governance and accountability

Oxfam Australia is an accredited signatory to the Australian Council For International Development (ACFID) Code of Conduct for Non Government Development Organisations (NGDOs). This Code of Conduct defines standards of governance, management, financial control and reporting with which NGDOs should comply and identifies mechanisms to ensure accountability in NGDOs use of public monies.

23. Reserves policy

As determined by the Board, it is Oxfam Australia's policy to retain only sufficient reserves to safeguard the continuity of its operations. The Reserves policy seeks to strike a balance between spending on the organisation's development and humanitarian relief purposes, maintaining appropriate levels of investment in the retail operation and maintaining the minimum level of resources necessary to ensure uninterrupted operations.

The reserves at 30 June 2013 fall into four categories.

Notes (continued)

YEAR ENDED 30 JUNE 2013

- Restricted Reserves: these are tied to a particular purpose as specified by donors or at the time of launching a public appeal. The organisation has committed to spend these funds in accordance with promises made to donors, i.e. they are not available for use in other areas of the agency's work.

- Designated Unrestricted Reserves: these are reserves which have been designated by the Board for specific purposes and which are as a result not immediately available for general usage.

  The specific purposes are as follows:

  (i) To ensure the continuity of operations in the event of a temporary downturn in income.

  (ii) To recognise that a portion of reserves is invested in the organisation's fixed assets and is not therefore available for other purposes.

  (iii) To ensure that we have sufficient liquidity to cover short term fluctuations in revenue / expenditure.

- General Unrestricted Funds: these represent funds which are available for the general purposes of the organisation.

- Net unrealised loss: This comprises the cumulative net change in the fair value of available-for-sale financial assets until the investment is derecognised or impaired.

The Board of Oxfam Australia reviews the level of reserves held periodically. At reporting date the level of unrestricted reserves was below the Board approved policy level. The aim is to restore reserve levels to substantial compliance with the Board approved level.

Directors' Declaration

In accordance with a resolution of the directors of Oxfam Australia, we state that:

In the opinion of the directors:

(a) the financial statements and notes of the company and the consolidated entity are in accordance with the Corporations Act 2001, including:

   (i) giving a true and fair view of the company's and the consolidated entity's financial position as at 30 June 2013 and of their performance for the year ended on that date; and

   (ii) complying with Accounting Standards – Reduced Disclosure Requirements and Corporations Regulations 2001; and

(b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board

Jane K Hutchison

Jane Hutchison
Chair

A Byrne

Ann Byrne
Director

Melbourne
17 October 2013

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Building a better working world

Independent auditor's report to the members of Oxfam Australia

Report on the financial report

We have audited the accompanying financial report of Oxfam Australia, which comprises the consolidated statement of financial position as at 30 June 2013, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

Opinion

In our opinion the financial report of Oxfam Australia is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the financial position of the consolidated entity at 30 June 2013 and of its performance for the year ended on that date; and

(b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

Ernst & Young

Ernst & Young

Painter

Stuart Painter
Partner
Melbourne
17 October 2013