



EESTI ABISTAMISE KOMITEE



Estonian Relief Committee Limited

ACN 091 457 911

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SUMMARY OF ACTIVITIES 2018

It is with pleasure that a Summary of Activities of the Estonian Relief Committee (ERC) is presented following its Annual General Meeting held at Taara Gardens, Thirlmere NSW on Sunday, 28 October 2018.

DIRECTORS

The following directors were re-elected for the 2018-2019 period.

| | | |
|------------------|----------------|-----------------|
| Mart Rampe | Ingrid Tartu | Tony Moll |
| Dr Peeter Muttik | Hillar Ranniko | Dr Juho Looveer |
| Maie Barrow | Kaili Ford | |

FINANCIAL STATUS

A financial summary for the 2017-2018 year was presented (see attached) which noted that the operating profit for the financial year ending June 30, 2018 amounted to \$4,568.70. The cash position for the same period increased slightly to \$853,742.90.

In 2018, a record 15 applications for funding totalling \$65,000 was received. Unfortunately, the limit on funding for 2018-2019 was set around \$20,000. Organisations that were funded during this period included the following:

- Meie Kodu (\$2,000)
- Sydney Estonian Handicraft Association (\$500)
- Estonian Archives in Australia (\$1,000)
- Sõrve (\$5,000)
- Baltic Artists in Australia (\$660)
- Kooskõlas – XXVII Eesti Päevad, Sõrve Camp (\$2,600)
- Sydney Mudilasring (\$34,50)
- Brisbane Estonian Playgroup (\$2,450)
- Sydney Estonian Society (\$2,345)

ACTIVITIES

(a) Collaborative Arrangement between Estonian Relief Committee and Council of Estonian Societies in Australia (AESL)

During 2017-2018, the Board focused its attention on a possible collaborative effort with AESL, whereby the ERC assumes the funds management and grants dispersal roles for both organisations thus enabling AESL to concentrate on its core business of being the peak Estonian representative body in Australia. In this scenario, the cash resources of both organisations (amounting to approximately \$1.00 million) would be deployed in a more cost-effective manner. Both organisations have agreed in principle to this approach and have commissioned lawyers to draft an agreement to satisfy these objectives.

A draft Funds Management Agreement (FMA) has now been circulated between both parties on several occasions and is considered to be close to finalization. In order to facilitate the acceptance of the FMA, a Statement of Intent (SOI) has been prepared (see also attached) which outlines the general principles of the FMA.

The next stage of this collaborative effort will entail the following steps;

- AESL to ratify the SOI and FMA – to be voted upon by AESL members at their December 2018 Meeting
- If AESL does ratify both documents, an Extraordinary General Meeting of ERC members will be called – probably in February 2019 to also ratify both documents. At that meeting, ERC members will also be asked to modify the ERC Constitution so as to enable:
 - AESL to nominate 4 positions on the ERC Board
 - Allow the new Board of Directors (all 9) to remain for a 3-year period; and
 - Corporate and other entities to become members

Should the above steps be successfully completed, it is anticipated that the FMA will become operational by mid-2019.

(b) Sydney Estonian House

The ERC is a significant shareholder (~20%) in the Estonian House Co-Operative Society Limited which owns Estonian House in Surry Hills, Sydney. The ERC therefore has a duty of care to ensure that its interests in Estonian House are well managed and preserved. During the course of 2018, the ERC has requested that the Society completes the “Future Options” process commenced in 2015. The “Future Options” process was designed to provide members of the Society as well as the greater Estonian Community an opportunity to determine the best outcome for Estonian House – should it remain where it is, should it be redeveloped or should it simply be sold and relocated to another location. The ERC will continue to advocate for this process to be completed as soon as possible given its significant stake in the Society. The ERC supports a collaborative approach between all stakeholders to resolve this issue for the benefit of the entire Estonian Community.

CONCLUSIONS

The proposed co-operative arrangement between the AESL and ERC in 2019 represents a radical departure for the ERC from its current activities but is reflective of the positive evolutionary nature of this organisation since its original inception.

Please refer to the ERC web site (www.erclimited.com.au) for any progress reports.

For further information on these matters, please contact the following:

| | |
|------------------|--|
| Mart Rampe: | mart.rampe@harvestscientific.com.au |
| Dr Juho Looveer: | Juho.Looveer@gmail.com |
| Kaili Ford | kailiford@yahoo.com |

Mart Rampe
Chairman, Estonian Relief Committee
31st October, 2018

STATEMENT OF INTENT

ESTONIAN RELIEF COMMITTEE LIMITED (ERC) and COUNCIL OF ESTONIAN SOCIETIES IN AUSTRALIA (AESL)

1 ERC is a not-for-profit company limited by guarantee that promotes Estonian history, culture and language in Australia and has the skills, background and experience in providing funds management, fundraising, account management services for not-for-profit organisations. Its activities are governed by the Estonian Relief Committee Limited Constitution.

2 AESL is an unincorporated association established as the national peak body representing Estonian community organisations in Australia and coordinate their activities. Its activities are governed by the Council of Estonian Societies in Australia Constitution.

3 The attached Funds Management Agreement (FMA) between ERC and AESL – Schedule 1 to this Statement – seeks to co-ordinate the activities of both entities and to allow for a streaming of roles in support Estonian community activities in Australia.

4 Under the terms of the FMA, AESL agrees to transfer cash assets, including those held in the Estonian National Fund in Australia established under its Constitution, to the value of \$[insert sum] to ERC. These cash assets will be combined with ERC cash assets to the value of no less than \$850,000 for the ERC to manage and provide services, consistent with the terms of the attached FMA, as follows:

- Establish, as appropriate, investment, operating and disbursement accounts to manage the combined funds of ERC and AESL;
- Establish a Finance Committee to develop an investment strategy and mandate, and funding protocol for these combined funds;
- Establish a Secretariat to manage the day to day business of the ERC;
- Establish a Fundraising Committee to assess and implement fund raising activities so as to maximise the amount of funds available for disbursement and hence, enable ERC and AESL to meet their respective core objectives; and
- Manage an assessment, allocation and acquittal process for disbursing any funds, noting the provisions of paragraph 9 below.

5 AESL has agreed to seek approval for the FMA from its member organisations at its Assembly to allow for their execution.

6 Upon this approval, the ERC will call an Extraordinary General Meeting (EGM) of its members to ratify by resolution, the FMA. The FMA will only come into effect after both the AESL and ERC have executed the FMA.

7 ERC will, at the EGM referred to in paragraph 6 above, call for a spill on all director positions and propose that representation on the future Board of the ERC be based on five (5) nominees from the previous ERC Board and four (4) nominees proposed by

AESL, such representation being for a minimum period of 3 years. Thereafter, election of directors at its AGM will be subject to the annual retirement of three (3) directors.

8 ERC will invite Australian-based Estonian organisations and individuals to become ERC members to broaden its member base as much as possible.

9 During the first three years of operation, ERC will meet the minimum financial obligations and/or running costs of the following organisations as outlined in the following table:

| Organisation | \$ |
|--------------|----------|
| AESL | 3,000.00 |
| ERC | 6,000.00 |

10 ERC will also provide funding support for Australian Estonian Festival organised under the auspices of AESL as required from time to time.

11 Funding of other qualifying organisations will be subject to the Terms and Conditions of the FMA at all times.

12 This Statement of Intent (SOI) is a non-binding statement of the parties' mutual intent of their proposed collaboration framework. The SOI is not intended create any legally enforceable rights or obligations in respect of either party, including any obligation on their part to enter into the FMA.

Executed on behalf of:

Estonian Relief Committee Limited Council of Estonian Societies in Australia

ABN: 50 091 457 911

Chairman – Mart Rampe

Chairman – Lembit Marder

Secretary – Dr Juho Looveer

Secretary - Sirje Jõgi

Date:_____

Date:_____



ESTONIAN RELIEF COMMITTEE LIMITED

ACN 091 457 911

160 Michell Road, Thirlmere NSW 2572

PROFIT & LOSS STATEMENT

JULY 1, 2017 - JUNE 30, 2018

| | June 2018 | June 2017 |
|-----------------------------------|------------------|------------------|
| INCOME | | |
| Membership fees | 455.00 | 520.00 |
| Interest received | 27,219.34 | 28,233.44 |
| Donations received | 295.00 | 3,130.00 |
| IAG Dividend | 307.36 | 235.04 |
| Refund from ASIC | 266.00 | - |
| TOTAL INCOME | 28,542.70 | 32,118.48 |
| EXPENSES | | |
| Accounting fee | 220.00 | - |
| Audit fees | 935.00 | 935.00 |
| AGM expenses | 139.95 | 141.80 |
| ASIC Fee | 323.00 | - |
| Postage | 70.00 | 86.60 |
| Printing | 255.75 | 343.10 |
| Legal fees | 729.30 | 2,406.80 |
| Meie Kodu notices | 161.00 | 50.00 |
| Meie Kodu Grant | 4,000.00 | 4,000.00 |
| Sõrve Grant | 5,000.00 | 5,000.00 |
| Rent | 500.00 | - |
| Sydney Estonian Playschool | 2,700.00 | 1,000.00 |
| Brisbane Estonian Playschool | 3,900.00 | 4,000.00 |
| Virmalised | - | 1,600.00 |
| Cultural Prizes | - | 700.00 |
| Eesti Co-op | 40.00 | 40.00 |
| Eesti Societies Australia | 5,000.00 | - |
| ERC Ltd Website | - | 242.00 |
| General expenses | - | 230.99 |
| Office Supplies | - | 90.85 |
| TOTAL EXPENSES | 23,974.00 | 20,867.14 |
| TES Koit Donation received | | |
| NET PROFIT (LOSS) | 4,568.70 | 11,251.34 |

BALANCE SHEET

AS AT JUNE 30, 2018

| | | |
|----------------------------|-------------------|-------------------|
| ASSETS | | |
| Petty cash | 577.35 | 518.05 |
| Cheque account CBA | 39,508.23 | 55,818.17 |
| Public Trust account CBA | 100.00 | 100.00 |
| Term Deposit 50066254 | 200,000.00 | 200,000.00 |
| Term Deposit 50066262 | 349,155.73 | 334,761.01 |
| Term Deposit NAB 489039604 | 264,401.59 | 257,976.97 |
| TOTAL INCOME | 853,742.90 | 849,174.20 |
| LIABILITIES | - | - |
| EQUITY | | |
| Members' Equity | 515,330.00 | 515,330.00 |
| Retained Earnings | 333,844.20 | 322,592.86 |
| Current year's earnings | 4,568.70 | 11,251.34 |
| TOTAL EQUITY | 853,742.90 | 849,174.20 |