



Love one another, bear with one another, and let charity guide you all your life.

Mary MacKillop

Mary MacKillop International (Limited by Guarantee)

ACN 159 091 737

Audited Financial Statements for the year ended 30 June 2017

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Directors' report

Your directors present their report on the entity for the year ended 30 June 2017.

Directors

The name of the directors in office at any time during or since the end of the year are:

John Watkins
Marion Gambin rsj
Noelene Quinane rsj
Anthony Abraham
Ann Craven
Paul Field
Grahame Petersen

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

The principal activities of the company during the financial period include:

- a) Developing, implementing, administering, managing, coordinating and evaluating programs, projects, initiatives and/or innovations
- b) Building capacity through participation, education and training, including within developing countries
- c) Developing skills that foster income generation, including within developing countries
- d) Assisting and empowering groups within communities to meet the needs of their vulnerable, including within
- e) Educating the Australian community with the aim of increasing its commitment to the company's purpose
- f) Advocating for and supporting programs that encourage self-determination, including within developing countries
- g) Securing funding and project partnerships with like-minded entities
- h) Undertaking any other activity incidental to or necessary for the furtherance of the purpose of the company

Summary of company's Income and expenditure and overall financial health

This financial report demonstrates the range of work that is made possible by the generosity of so many people across Australia. From our staff, to our board members, to our donors and to our corporate partners- all who contribute in very practical ways to making a difference in the lives of our brothers and sisters overseas- we offer our sincere thanks.

Our supporters (individual donors, corporates and foundations) donated a total of \$1,027,685 this year which was again an increase on the previous year. This support was supplemented by a further \$1.1 million received from the Sisters of Saint Joseph as part of their commitment to the growth outlined in our Strategic plan. Ethica's sales totalled \$170,685 demonstrating the continued support of Australian for Fair Trade products.

MMI is committed to best practice development and humanitarian aid principles and practices aimed at achieving long term results. Our financial policies focus on enabling the organisation to be able to make long term commitments to our programs, protect our work from financial fluctuations and provide some security for unanticipated events.

MMI recognises that we need robust financial and administration systems to deliver effective, efficient and transparent programs at the lowest possible costs and we continue to strive to increase efficiencies and reduce costs to improve our long term financial viability.

Directors' report

Information on Directors

Hon John Watkins AM	—	Director
Qualifications	—	AM, LLB, MA, Dip Ed, HonDLitt
Experience	—	John started his working life as a secondary school teacher, teaching at three Catholic schools in the Sydney region. In 1995 he was elected to the State Parliament as Member for Gladesville and then Ryde. John went on to serve in the positions of Minister for Finance, Police, State Development, Education and Training, Corrective Services, Fair Trading, Sport and Recreation and Transport in the NSW Labor Government. In 2005 John was elected to the position of Deputy Premier of NSW. After resigning from Parliament in 2008 John took up the position of CEO of Alzheimers NSW. Between 2013 and 2014 he served as the Chancellor of the University of New England. He is currently also the Board Chair for the McKell Institute and the Little Company of Mary Health Care Ltd.
Special Responsibilities	—	Chairperson
Grahame Petersen	—	Director
Qualifications	—	BA F Fin FAICD
Experience	—	Grahame worked for 35 years in the financial services industry, with executive experience in banking, strategy, risk management, investment, technology and cultural change. He has been a director of a variety of financial services companies since 1999 and was a director of a substantial foundation focused on education and financial literacy from 2008 - 2015. Grahame retired from executive life in 2015 and is now a non-executive director of not-for-profit and financial service entities.
Special Responsibilities	—	Member: Audit and Risk Committee
Paul Field	—	Director
Qualifications	—	Dip. Teaching, Cert.RE
Experience	—	Educated by the Sisters of Saint Joseph and the Patrician and Marists Brothers, Paul graduated from the Australian Catholic University and taught at Catholic Schools in the Sydney Region. As a singer in a band, Paul toured Australia for a decade and was awarded Gold and Platinum album status for album sales. He worked for Justice James Wood at the Supreme Court of NSW (1991-1994). Paul was appointed to the Investigations Team at the Royal Commission into the NSW Police Service (1994-1997). He has been Managing Director of The Wiggles since the end of 1997 and is the Producer of their TV Series and DVDs with contributions to directing, writing and song writing. Paul is a published author and In 2016, Paul was appointed as an ambassador for the charity Soldier On and has assisted promotional campaigns for SIDS and Kids, St. Vincent de Paul, UNICEF, Jesuit Social Services, Red Cross and many other community groups for > 15 years.
Anne Craven	—	Director
Qualifications	—	LLB(Hons) LLM
Experience	—	Anne is a lawyer with more than 30 years experience as a solicitor in the state public services of Victoria, Western Australia and New South Wales. For most of her career she has concentrated on the area of water law and the development and implementation of water legislation as well as legislation in other related areas of environmental law.
Special Responsibilities	—	Member: Audit and Risk Committee

Directors' report

Information on Directors (continued)

Marion Gambin rsj	—	Director
Qualifications	—	Dip T, BA Grad Dip RE, Med (RE)
Experience	—	Marion has a background in primary education, including the role of Principal, and experience as a Board Director and Chair on several Congregational company boards. Marion was formerly Regional Leader of the Sisters of St Joseph Centre West Region, and is a Councillor on the current Congregational Leadership Team.
Noelene Quinane rsj	—	Director
Qualifications	—	M. Catholic Ed; M. Ed.Admin
Experience	—	Noelene's background is some 35 years in Catholic education, primarily secondary, including Motor Mission work, across the Dioceses of Canberra-Goulburn and Wagga Wagga. 30 years of these were in leadership positions within Catholic schools, primarily as Principal, a highlight of which was Foundation Principal of MacKillop Catholic College Canberra for seven years. A 12 month sabbatical in the Philippines in 1996, engaging with poor barrio communities, and subsequent visits including working in the Payatas Garbage mountain community has been deeply influential.
Anthony Abraham	—	Director
Qualifications	—	B.Ec, LLB
Experience	—	Anthony has a background in funds management, corporate finance and structured financing including 21 years at Macquarie Bank as Executive Director of Macquarie Agricultural Funds Management. He is currently engaged on a number of boards as a non-executive director and is Managing Director of a company involved in the development and deployment of agricultural technology. Anthony has been involved in parish and fund raising for not for profit activities over many years. He currently chairs the Finance Committee of St Patrick's College Strathfield and is a member of the Board.
Special Responsibilities	—	Chairperson: Audit and Risk Committee

Board Meetings

There have been six meetings of the Board of Directors during the period.

Directors and number of Board of Directors' meetings attended during the period include:

	Number Eligible to Attend	Meetings Attended	Explanatory Notes
John Watkins	6	6	
Marion Gambin rsj	6	6	
Noelene Quinane rsj	6	5	
Anne Craven	6	3	
Anthony Abraham	6	4	
Paul Field	6	3	
Grahame Petersen	6	5	

Directors' report

Information on Directors (continued)

Members Guarantee

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the entity. At 30 June 2017, the total amount that members of the company are liable to contribute if the company is wound up is \$50.

Indemnifying Officers or Auditor

No indemnities have been given, however professional indemnities insurance premiums have been paid, during the financial year, for officers of the company by the ultimate shareholders.

Proceedings on Behalf of the Entity

No person has applied for leave of Court to bring proceedings on behalf of the entity or intervene in any proceedings to

The entity was not a party to any such proceedings during the period.

Australian Council for International Development

Mary MacKillop International is a member of the Australian Council for International Development (ACFID). As a signatory the MMI financial statements comply with the presentation and disclosure requirements of the ACFID Code of Conduct. Please refer to the ACFID Code of Conduct website for further information.

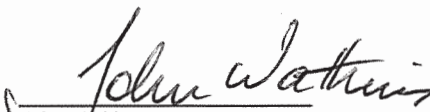
Any individual has the ability to lodge a complaint against the company to any director or the Chief Executive Officer or directly to the ACFID. Any correspondence with the ACFID should be directed to the

Chair
ACFID Code of Conduct
C/- ACFID
Private Bag 3
Deakin ACT 2600

Auditor's independence declaration

The lead auditor's independence declaration for the year ended 30 June 2017 as required under s.60-40 of the Australian Charities and Not-for-profits Commission Act 2012, has been received and can be found on page 7.

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


John Watkins
Director

Dated: 16 October 2017


Marion Gambin
Director

Dated: 16 October 2017

RSM Australia Pty Ltd

Level 13, 60 Castlereagh Street Sydney NSW 2000

GPO Box 5138 Sydney NSW 2001

T +61(0) 2 8226 4500

F +61(0) 2 8226 4501

www.rsm.com.au**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the audit of the financial report of Mary MacKillop International Limited for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Australian Charities and Not-For Profits Commission Act 2012;
- (ii) any applicable code of professional conduct in relation to the audit

**RSM AUSTRALIA****C J HUME**

Director

Sydney, New South Wales

Dated: 16 October 2017

THE POWER OF BEING UNDERSTOOD**AUDIT | TAX | CONSULTING**

RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Pty Ltd ACN 009 321 377 atf Birdanco Practice Trust ABN 65 319 382 479 trading as RSM

Liability limited by a scheme approved under Professional Standards Legislation

Statement of profit or loss and other comprehensive income for the year ended 30 June 2017

Notes	2017 MMI \$	2017 Ethica \$	2017 Total \$	2016 \$
Revenue				
Donations and gifts:				
Monetary	779,471	6,255	785,726	668,603
Non-monetary	-	-	-	-
Bequests and legacies	53,460	-	53,460	242,149
Grants:				
Department of Foreign Affairs and Trade	-	-	-	-
Other Australian	164,664	-	164,664	214,179
Other overseas	23,835	-	23,835	69,400
Investment Income	101,134	-	101,134	135,148
Sales	101,743	170,685	272,428	188,799
Other income	1,105,053	924	1,105,977	1,222,983
Revenue for International Political or Religious Adherence Promotion	-	-	-	-
Total Revenue	2,329,360	177,864	2,507,224	2,741,261
Expenditure				
International aid and development programs				
International programs:				
Funds to international programs	1,016,163	-	1,016,163	844,100
Program support costs	204,680	-	204,680	191,800
Community education	-	-	-	-
Fundraising costs:				
Public	293,157	-	293,157	240,754
Government, multilateral and private	-	-	-	-
Depreciation of property, plant and equipment	52,095	-	52,095	50,104
Accountability and administration	317,932	107,228	425,160	448,386
International programs - non development programs	39,876	-	39,876	44,439
Cost of sales	-	88,184	88,184	99,111
Non-monetary expenditure	-	-	-	-
Total International Aid and Development Programs Expenditure	1,923,903	195,412	2,119,315	1,918,694
International Political or Religious Adherence Promotion	-	-	-	-
Domestic Programs Expenditure	-	-	-	-
Total Expenditure	1,923,903	195,412	2,119,315	1,918,694
Excess / (loss) of revenue over expenditure	405,457	(17,548)	387,909	822,567
Income tax expense	-	-	-	-
Excess / (loss) of revenue over expenditure after tax	405,457	(17,548)	387,909	822,567
Other comprehensive income	-	-	-	-
Total comprehensive income /(loss) attributable to the entity	405,457	(17,548)	387,909	822,567

The accompanying notes form part of these financial statements.

Statement of financial position as at 30 June 2017

	Notes	2017 \$	2016 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	8 (a)	4,648,838	4,315,666
Trade and other receivables	2	14,385	25,000
Inventories	3	31,075	33,683
Other assets	4	26,749	40,262
TOTAL CURRENT ASSETS		4,721,047	4,414,611
NON-CURRENT ASSETS			
Property, plant and equipment	5	681,054	642,536
TOTAL NON-CURRENT ASSETS		681,054	642,536
TOTAL ASSETS		5,402,101	5,057,147
CURRENT LIABILITIES			
Trade and other payables	6	114,867	138,735
Provisions	7	93,738	56,159
TOTAL CURRENT LIABILITIES		208,605	194,894
NON-CURRENT LIABILITIES			
Trade and other payables	6	375,483	429,123
Provisions	7	10,909	13,935
TOTAL NON-CURRENT LIABILITIES		386,392	443,058
TOTAL LIABILITIES		594,997	637,952
NET ASSETS		4,807,104	4,419,195
EQUITY			
Retained earnings		4,807,104	4,419,195
TOTAL EQUITY		4,807,104	4,419,195

The accompanying notes form part of these financial statements.

Statement of changes in equity for the year ended 30 June 2017

	Retained earnings	
	\$	Total
Balance at 1 July 2015	3,596,628	3,596,628
Excess of revenue over expenses	822,567	822,567
Balance at 30 June 2016	4,419,195	4,419,195
Excess of revenue over expenses	387,909	387,909
Balance as at 30 June 2017	4,807,104	4,807,104

The accompanying notes form part of these financial statements.

Statement of cash flows for the year ended 30 June 2017

	Notes	2017 \$	2016 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipt from donors/ grant providers		2,376,578	2,992,616
Payments to suppliers and employees		(2,053,927)	(1,804,908)
Interest received		101,134	135,148
NET CASH PROVIDED BY OPERATING ACTIVITIES	8 (b)	423,785	1,322,856
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(90,613)	(4,761)
NET CASH USED IN INVESTING ACTIVITIES		(90,613)	(4,761)
Net increase in cash held		333,172	1,318,095
Cash at the beginning of the financial year		4,315,666	2,997,571
Cash at the end of the financial year	8 (a)	4,648,838	4,315,666

The accompanying notes form part of these financial statements.

Notes to the financial statements for the year ended 30 June 2017

1 Summary of significant accounting policies

The financial report is for Mary MacKillop International. Mary MacKillop International is a company limited by guarantee.

The financial report was authorised for issue on 16 October 2017 by the board of directors.

Basis of preparation

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial reports. This financial report is therefore a special purpose financial report that has been prepared in order to meet the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and the Australian Council for International Development (ACFID) Code of Conduct. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statement has been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Australian Charities and Not-for-profits Commission Act 2012 and the significant accounting policies disclosed below which the directors have determined are appropriate to meet the needs of members.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

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

Accounting policies

a. Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Donations and bequests are recognised as revenue when received unless they are designated for a specific purpose, where they are carried forward as prepaid income on the balance sheet.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument.

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

b. Plant and Equipment

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

Plant and equipment is measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Plant and equipment that has been contributed at no cost or for nominal cost is valued at the fair value of the asset at the date it is acquired.

Notes to the financial statements for the year ended 30 June 2017

1 Summary of significant accounting policies (continued)

b. Plant and Equipment continued

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over the asset's useful life to the economic entity commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	20 – 100 %
Motor vehicle	8 – 13 %
Building	4.8 %

Leasehold improvement is depreciated over the life of the asset or the leased term whichever is shorter. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

c. Financial Instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Derecognition

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

Notes to the financial statements for the year ended 30 June 2017

1 Summary of significant accounting policies (continued)

c. Financial Instruments (continued)

Classification and Subsequent Measurement

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

Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short term profit taking, where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Realised and unrealised gains and losses arising from changes in fair value are included in profit or loss in the period in which they arise.

(ii) Loans and receivables

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

(iii) Held-to-maturity investments

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

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

Impairment

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

d. Impairment of Assets

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

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

Where it is not possible to estimate the recoverable amount of a class of asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

e. Employee Benefits

Provision is made for the entity's liability for employee benefits arising from services rendered by employees to Balance Sheet date. Employee benefits expected to be settled within one year together with benefits arising from wages, salaries and annual leave which may be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on costs. Other employee benefits payable later than one year have been measured at the net present value.

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

Notes to the financial statements for the year ended 30 June 2017

1 Summary of significant accounting policies (continued)

f. Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

g. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

Cash flows are presented in the Cashflow Statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

h. Income Tax

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

i. Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

j. Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the entity.

Key estimates — Impairment

The entity assesses impairment at each reporting date by evaluating conditions specific to the entity that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use or current replacement cost calculations performed in assessing recoverable amounts incorporate a number of key estimates.

k. Comparatives

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

l. New Accounting Standards for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the company. The directors have decided not to early adopt any of the new and amended pronouncements.

Notes to the financial statements for the year ended 30 June 2017

	\$	\$
2 Trade and Other Receivables		
Prepayments	2,205	4,576
Deposits	-	781
Other receivables	12,180	19,643
	<u>14,385</u>	<u>25,000</u>
3 Inventories		
At cost:		
Inventory	<u>31,075</u>	<u>33,683</u>
4 Other Assets		
Accrued Interest	<u>26,749</u>	<u>40,262</u>
5 Property, Plant and Equipment		
Computer Equipment		
At cost	33,043	78,657
Less accumulated depreciation	(12,674)	(70,664)
Total Computer Equipment	<u>20,369</u>	<u>7,993</u>
Office Equipment		
At cost	4,978	18,548
Less accumulated depreciation	(4,184)	(17,263)
Total Office Equipment	<u>794</u>	<u>1,285</u>
Motor Vehicles		
At cost	168,650	119,772
Less accumulated depreciation	(76,569)	(87,400)
Total Office Equipment	<u>92,081</u>	<u>32,372</u>
Building		
At cost	724,922	724,922
Less accumulated depreciation	(157,112)	(124,036)
Total Building	<u>567,810</u>	<u>600,886</u>
	<u>681,054</u>	<u>642,536</u>

Notes to the financial statements for the year ended 30 June 2017

	\$	\$
6 Trade and Other Payables		
Current		
Trade creditors	(158)	7,915
Accruals	20,226	24,062
GST receivable	(10,016)	(9,270)
PAYG withholding	20,289	18,964
Other payables	84,526	97,064
	114,867	138,735
Non-current		
Other payables	375,483	429,123
7 Provisions		
CURRENT		
Employee benefits	93,738	56,159
NON-CURRENT		
Employee benefits	10,909	13,935
	104,647	70,094
8 Cash Flow Information		
a) Cash and cash equivalents		
Cash on hand	717	4,309
Cash at bank	4,648,121	4,311,357
	4,648,838	4,315,666
b) Reconciliation of cash flow from operations with profit after income tax		
Profit	387,909	822,567
Non cash flows in profit		
Depreciation	52,095	50,104
Changes in assets and liabilities:		
Decrease/ (Increase) in trade and other receivables	10,615	(2,358)
Decrease/ (Increase) in other assets	13,513	(40,262)
Increase/ (Decrease) in inventories	2,608	(3,268)
(Decrease)/ Increase in trade and other payables	(77,508)	489,668
Increase in provisions	34,553	6,405
Cash flows from operating activities	423,785	1,322,856

Notes to the financial statements for the year ended 30 June 2017

c) Table of cash movements for designated purposes for the year ended 30 June 2017

Designated purpose	Cash available	Cash raised	Cash disbursed	Cash available
Timor-Leste	1,501,160	353,570	809,489	1,045,241
Ethica	43,691	165,684	195,412	13,963
Total for other non-designated purposes	2,770,815	1,958,457	1,139,640	3,589,632
TOTAL	4,315,666	2,477,711	2,144,541	4,648,836

9 Capital Management

Management control the capital of the entity to ensure that adequate cash flows are generated to fund its programs and that returns from investments are maximised. The board of directors ensure that the overall risk management strategy is in line with this objective.

10 Entity Details

The principal place of business and registered office of the company is:

Mary MacKillop International
9 Mount Street
North Sydney NSW 2060

11 Remuneration of Auditor

	2017	2016
	\$	\$
Auditing or reviewing the financial report	15,000	14,800
Other services	3,000	2,500
	18,000	17,300

12 Members Guarantee

The entity is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstandings and obligations of the company. At 30 June 2017 the number of members was 5.

Directors' declaration

The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of the company declare that:

a. The financial statements and notes, as set out on pages 8 to 18, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and:


- i. comply with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Australian Charities and Not-for-profits Commission Regulation 2013; and
- ii. give a true and fair view of the company's financial position as at 30 June 2017 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.

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

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


John Watkins
Director

Dated: 16 October 2017


Marion Gambin
Director

Dated: 16 October 2017

RSM Australia Pty Ltd

Level 13, 60 Castlereagh Street Sydney NSW 2000
GPO Box 5138 Sydney NSW 2001

T +61 (0) 2 8226 4500
F +61 (0) 2 8226 4501

www.rsm.com.au

INDEPENDENT AUDITOR'S REPORT
To the Members of Mary MacKillop International
Limited

Opinion

We have audited the financial report of Mary MacKillop International Limited ('the registered entity'), which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the responsible entity's declaration.

In our opinion, the financial report of the registered entity has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the registered entity's financial position as at 30 June 2017 and of its financial performance and cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the registered entity to meet the requirements of Division 60 of the Australian Charities and Not-for-profits Commission Act 2012. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

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RSM Australia Pty Ltd ACN 009 321 377 atf Birdanco Practice Trust ABN 65 319 382 479 trading as RSM

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Responsibilities of Management and Those Charged with Governance for the Financial Report

The responsible persons of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and for such internal control as the responsible persons determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the responsible persons are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

A handwritten signature in blue ink, appearing to read 'RSM'.

RSM AUSTRALIA

A handwritten signature in blue ink, appearing to read 'C J Hume'.

C J HUME
Director

Sydney, New South Wales
Dated: 16 October 2017