

**Mary MacKillop International
(Limited by Guarantee)**

ACN 159 091 737

Audited Financial Statements
for the year ended 30 June 2018

Mary MacKillop International (Limited by Guarantee)

ACN 159 091 737

For the year ended 30 June 2018

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Mary MacKillop International (Limited by Guarantee)

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Directors' report

Your directors present their report on the entity for the year ended 30 June 2018.

Directors

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

John Watkins (Chairperson)
Anthony Abraham
Anne Craven. (resigned 4 December 2017)
Danielle Achikian (appointed 1 July 2018)
Grahame Petersen
John Collins (appointed 4 December 2017)
Katherine Barnett (appointed 4 December 2017)
Marion Gambin rsj. (resigned 4 December 2017)
Margaret Crowley (appointed 1 July 2018)
Noelene Quinane rsj. (resigned 4 December 2017)
Paul Field. (resigned 4 December 2017)
Sheila McCreanor (appointed 4 December 2017)
Terrance Clout (appointed 4 December 2017)

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 \$962,252 this 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 totaled \$170,583 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.

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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 of Mary MacKillop Today: Strategic Planning Consultation Committee
Anthony Abraham	—	Director
Qualifications	—	B.Ec, LLB
Experience	—	Anthony has a background in funds management, corporate finance, tax, accounting and finance including 21 years at Macquarie Bank where he was an Executive Director in Macquarie Agricultural Funds Management. Anthony currently works as an investment manager for a private equity firm as well as providing consulting services and acting as a non executive director on a number of boards including the listed Australian Agricultural Company. Anthony has been involved in boards and finance committees for parish and schools for a number of years in the past.
Special Responsibilities	—	Member: Finance, Audit and Risk Committee
Danielle Achikian	—	Director
Qualifications	—	BA.
Experience	—	For over 20 years Danielle has worked in a variety of industries focusing on communication, fundraising and events. She has operated her own consultancy business since 2009.
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: Finance, Audit and Risk Committee; Strategic Planning Consultation Committee

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Directors' report

Information on Directors (continued)

John Collins	—	Director
Qualifications	—	B Com (Honours), CA, CFP
Experience	—	John founded Black Pearl Private Clients Twenty five years financial services experience within Big 4 Chartered Accounting firms and investment banks providing corporate tax, private banking, wealth management and transaction advisory services to high net worth families and mid market private business owners
Special Responsibilities	—	Member: Finance, Audit and Risk Committee
Katherine Barnett	—	Director
Qualifications	—	BA, LLB, Grad DipComms Mgmt, Diploma Mod Lang. (Mandarin)
Experience	—	Currently CEO St Vincents Institute Foundation, Kate has more than fifteen years' experience in strategic and organisational leadership in non-profit and membership based organisations, law and higher education fundraising in Australia and overseas. Former roles include Director of Development at the University of Melbourne Law School, and inaugural National Executive Director of the Australia China Business Council.
Special Responsibilities	—	Member: Strategic Planning Consultation Committee
Margaret Crowley	—	Director
Qualifications	—	B.A., Grad Dip Counselling, M.App.Sci. MAPS, MAICD
Experience	—	Margaret is a Senior Psychologist who has worked as a CEO and senior executive in Not For profit organisations. Her experience includes executive roles in technology companies to the staffs of State Government Ministers and as a Professional Psychology Member of the New South Wales Civil and Administrative Tribunal. She has worked in medical research in health psychology and clinically with children and adolescent disability and mental health. She has over twenty years' experience as a Company Director.
Sheila McCreanor	—	Director
Qualifications	—	Dip T, Grad Dip Ed Admin, M Ed, PhD, GAICD, JP
Experience	—	Sheila was previously was on the Board of Director of Mary MacKillop Care SA Ltd and Sisters of St Joseph Mary MacKillop College Kensington Limited. Sheila has 12 years experience as Secretary General for Sisters of St Joseph with 25 years experience as a teacher and principal in various Catholic schools in SA.
Terrance Clout	—	Director
Qualifications	—	B.A.(UoW), Cert IR, FAICD, FGRCI, FACHSM, FRMIA, CPRM, JP
Experience	—	Terrance has over thirty years experience in the management and governance of public health services in NSW. Experienced Board Chair, mentor and consultant
Special Responsibilities	—	Member: Finance, Audit and Risk Committee Strategic Planning Consultation Committee

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Directors' report

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	
Anthony Abaham	6	4	
Ann Craven	3	2	
Danielle Achikian	0	0	Appointed 1 July 2018.
Grahame Petersen	6	5	
John Collins	3	3	
Katherine Barnett	3	3	
Marion Gambin rsj	3	3	
Margaret Crowley	0	0	Appointed 1 July 2018.
Noelene Quinane rsj	3	3	
Paul Field	3	2	
Sheila McCreanor	3	3	
Terrance Clout	3	3	

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 2018, 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

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.

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Directors' report

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 2018 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 6.

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



Anthony Abraham
Director
Dated: 27/9/18



Terry Clout
Director
27/9/18



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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 2018, 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: 27 September 2018

Mary MacKillop International (Limited by Guarantee)

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Statement of profit or loss and other comprehensive income for the year ended 30 June 2018

Notes	2018 MMI \$	2018 Ethica \$	2018 Total \$	2017 \$
Revenue				
Donations and gifts:				
Monetary	907,732	-	907,732	785,726
Non-monetary	-	-	-	-
Bequests and legacies	54,520	-	54,520	53,460
Grants:				
Department of Foreign Affairs and Trade	-	-	-	-
Other Australian	-	-	-	164,664
Other overseas	27,060	-	27,060	23,835
Investment Income	93,552	-	93,552	101,134
Sales	13,400	170,583	183,983	272,428
Other income	1,103,960	88	1,104,048	1,105,977
Revenue for International Political or Religious Adherence Promotion	-	-	-	-
Total Revenue	2,200,224	170,671	2,370,895	2,507,224
Expenditure				
International aid and development programs				
International programs:				
Funds to international programs	1,186,151	-	1,186,151	1,016,163
Program support costs	245,675	-	245,675	204,680
Community education	-	-	-	-
Fundraising costs:				
Public	307,512	-	307,512	293,157
Government, multilateral and private	-	-	-	-
Depreciation of property, plant and equipment	76,424	-	76,424	52,095
Accountability and administration	568,176	119,270	687,446	425,160
International programs - non development programs	28,577	-	28,577	39,876
Cost of sales	7,402	91,149	98,551	88,184
Non-monetary expenditure	-	-	-	-
Foreign exchange loss	-	50,625	50,625	-
Total International Aid and Development Programs Expenditure	2,419,917	261,044	2,680,961	2,119,315
International Political or Religious Adherence Promotion	-	-	-	-
Domestic Programs Expenditure	-	-	-	-
Total Expenditure	2,419,917	261,044	2,680,961	2,119,315
(Loss)/excess of revenue over expenditure	(219,693)	(90,373)	(310,066)	387,909
Income tax expense	-	-	-	-
(Loss)/excess of revenue over expenditure after tax	(219,693)	(90,373)	(310,066)	387,909
Other comprehensive income	-	-	-	-
Total comprehensive (loss)/income attributable to the entity	(219,693)	(90,373)	(310,066)	387,909

The accompanying notes form part of these financial statements.

Mary MacKillop International (Limited by Guarantee)

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Statement of financial position as at 30 June 2018

	Notes	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	8 (a)	4,364,469	4,648,838
Trade and other receivables	2	27,153	14,385
Inventories	3	73,889	31,075
Other assets	4	26,749	26,749
TOTAL CURRENT ASSETS		<u>4,492,260</u>	<u>4,721,047</u>
NON-CURRENT ASSETS			
Property, plant and equipment	5	626,424	681,054
TOTAL NON-CURRENT ASSETS		<u>626,424</u>	<u>681,054</u>
TOTAL ASSETS		<u>5,118,684</u>	<u>5,402,101</u>
CURRENT LIABILITIES			
Trade and other payables	6	136,632	114,867
Provisions	7	147,223	93,738
TOTAL CURRENT LIABILITIES		<u>283,855</u>	<u>208,605</u>
NON-CURRENT LIABILITIES			
Trade and other payables	6	321,844	375,483
Provisions	7	15,947	10,909
TOTAL NON-CURRENT LIABILITIES		<u>337,791</u>	<u>386,392</u>
TOTAL LIABILITIES		<u>621,646</u>	<u>594,997</u>
NET ASSETS		<u>4,497,038</u>	<u>4,807,104</u>
EQUITY			
Retained earnings		4,497,038	4,807,104
TOTAL EQUITY		<u>4,497,038</u>	<u>4,807,104</u>

The accompanying notes form part of these financial statements.

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Statement of changes in equity for the year ended 30 June 2018

	Retained earnings	
	\$	Total
Balance at 1 July 2016	4,419,195	4,419,195
Excess of revenue over expenses	387,909	387,909
Balance at 30 June 2017	<u>4,807,104</u>	<u>4,807,104</u>
Excess of expenses over revenue	(310,066)	(310,066)
Balance as at 30 June 2018	<u><u>4,497,038</u></u>	<u><u>4,497,038</u></u>

The accompanying notes form part of these financial statements.

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Statement of cash flows for the year ended 30 June 2018

	<u>Notes</u>	<u>2018</u> S	<u>2017</u> S
CASH FLOW FROM OPERATING ACTIVITIES			
Receipt from donors/grant providers		2,221,355	2,376,578
Payments to suppliers and employees		(2,577,482)	(2,053,927)
Interest received		93,552	101,134
NET CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES	8 (b)	<u>(262,575)</u>	<u>423,785</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		<u>(21,794)</u>	<u>(90,613)</u>
NET CASH USED IN INVESTING ACTIVITIES		<u>(21,794)</u>	<u>(90,613)</u>
Net (decrease)/ increase in cash held		(284,369)	333,172
Cash at the beginning of the financial year		<u>4,648,838</u>	<u>4,315,666</u>
Cash at the end of the financial year	8 (a)	<u><u>4,364,469</u></u>	<u><u>4,648,838</u></u>

The accompanying notes form part of these financial statements.

Mary MacKillop International (Limited by Guarantee)

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Notes to the financial statements for the year ended 30 June 2018

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 27/9/18 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.

Grants are recognised at fair value where there is a reasonable assurance that the grant will be received and all attached conditions will be complied with.

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.

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.

Mary MacKillop International (Limited by Guarantee)

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Notes to the financial statements for the year ended 30 June 2018

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.

Mary MacKillop International (Limited by Guarantee)

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Notes to the financial statements for the year ended 30 June 2018

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.

Mary MacKillop International (Limited by Guarantee)

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Notes to the financial statements for the year ended 30 June 2018

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.

Cash and cash equivalent includes short-term highly liquid investments with maturity of three to twelve months. This is a deviation from AASB 107, Statement of Cash Flow, for the reconciliation of note 8(c), table of cash movement for designated purposes, required by the Australian Council for International Development (ACFID).

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.

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Notes to the financial statements for the year ended 30 June 2018

	2018 \$	2017 \$
2 Trade and Other Receivables		
Prepayments	-	2,205
Deposits	1,016	-
Other receivables	26,137	12,180
	<u>27,153</u>	<u>14,385</u>
3 Inventories		
At cost:		
Inventory	<u>73,889</u>	<u>31,075</u>
4 Other Assets		
Accrued Interest	<u>26,749</u>	<u>26,749</u>
5 Property, Plant and Equipment		
Computer Equipment		
At cost	37,493	33,043
Less accumulated depreciation	(21,940)	(12,674)
Total Computer Equipment	<u>15,553</u>	<u>20,369</u>
Office Equipment		
At cost	98,642	88,839
Less accumulated depreciation	(25,648)	(6,367)
Total Office Equipment	<u>72,994</u>	<u>82,472</u>
Motor Vehicles		
At cost	70,556	86,972
Less accumulated depreciation	(67,413)	(76,569)
Total Motor Vehicles	<u>3,143</u>	<u>10,403</u>
Building		
At cost	724,922	724,922
Less accumulated depreciation	(190,188)	(157,112)
Total Building	<u>534,734</u>	<u>567,810</u>
	<u>626,424</u>	<u>681,054</u>

Mary MacKillop International (Limited by Guarantee)

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Notes to the financial statements for the year ended 30 June 2018

	2018 \$	2017 \$
6 Trade and Other Payables		
Current		
Trade creditors	3,415	(158)
Accruals	61,204	20,226
GST receivable	(46,464)	(10,016)
PAYG withholding	34,769	20,289
Other payables	83,708	84,526
	<u>136,632</u>	<u>114,867</u>
Non-current		
Other payables	<u>321,844</u>	<u>375,483</u>
7 Provisions		
CURRENT		
Employee benefits	147,223	93,738
NON-CURRENT		
Employee benefits	15,947	10,909
	<u>163,170</u>	<u>104,647</u>
8 Cash Flow Information		
a) Cash and cash equivalents		
Cash on hand	481	717
Cash at bank	4,363,988	4,648,121
	<u>4,364,469</u>	<u>4,648,838</u>
b) Reconciliation of cash flow from operations with profit after income tax		
Profit	(310,066)	387,909
Non cash flows in (loss)/profit		
Depreciation	76,424	52,095
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(12,768)	10,615
Decrease in other assets	-	13,513
(Decrease)/ increase in inventories	(42,814)	2,608
Decrease in trade and other payables	(31,874)	(77,508)
Increase in provisions	58,523	34,553
Cash flows from operating activities	<u>(262,575)</u>	<u>423,785</u>

Mary MacKillop International (Limited by Guarantee)

ACN 159 091 737

Notes to the financial statements for the year ended 30 June 2018

c) Table of cash movements for designated purposes for the year ended 30 June 2018

Designated purpose	Cash available	Cash raised	Cash disbursed	Cash available
Timor-Leste	1,045,241	444,750	1,005,399	484,592
Ethica	13,963	139,831	210,419	(56,625)
Total for other non-designated purposes	3,589,633	1,773,546	1,426,677	3,936,502
TOTAL	4,648,837	2,358,127	2,642,495	4,364,469

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
12 Mount Street
North Sydney NSW 2060

11 Remuneration of Auditor

	2018	2017
	\$	\$
Auditing or reviewing the financial report	15,500	15,000
Other services	3,500	3,000
	<u>19,000</u>	<u>18,000</u>

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 2018 the number of members was 5.

13 Events after the reporting period

Subsequent to the reporting date of 30 June 2018, Mary MacKillop International, Mary MacKillop Foundation and Josephite Foundation have merged into a consolidated company trading under the name Mary MacKillop Today.

Mary MacKillop International (Limited by Guarantee)

ACN 159 091 737

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 7 to 19, 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 2018 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



Anthony Abraham
Director

Dated:

27/9/18

 27/9/18

Terry Clout
Director



RSM Australia Pty Ltd

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GPO Box 5138 Sydney NSW 2001

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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 2018, 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 2018 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.

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.

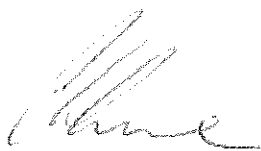
Auditor's Responsibilities for the Audit of the Financial Report

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 cursive script, appearing to read 'RSM'.

RSM AUSTRALIA

A handwritten signature in cursive script, appearing to read 'C J Hume'.

C J HUME

Director

Sydney, New South Wales

Dated: 27 September 2017