

MARY MACKILLOP
today



Annual Report 2018-19

About us

Mary MacKillop Today is a ministry of the Sisters of St Joseph. In the spirit of Mary MacKillop, we are working to transform lives with dignity for self-determination.

Mary MacKillop Today is a public company limited by guarantee and we are governed by a Board of Directors. In Australia, our head office is in North Sydney, and we also have offices in Bathurst, Orange, Young, Cowra and Lithgow. Overseas, we have an office in Dili, Timor-Leste.

On 1st July 2018, Mary MacKillop International, the Mary MacKillop Foundation and the Josephite Foundation formed a single ministry, Mary MacKillop Today. As one united ministry, we are proudly continuing the works of the Sisters of Saint Joseph in the spirit of Mary MacKillop.

Our vision

Our vision is a world without poverty, where the rights and dignity of every person are respected and where people are free to engage fully in society.

Our mission

Guided by the Gospel, we stand with the marginalised, rural and remote peoples, in Australia and internationally, so they can realise their potential and participate fully in their communities. We seek to empower and transform lives through self-determination, access to education and the learning of practical life skills.

MARY MACKILLOP *today*

Contents

Message from our Chair	2
Year at a glance	2
Message from our CEO	3
Our Values	4
Our Focus	4
Our Purpose	4
'Learning for Life'	5
Australia	6
Timor-Leste	8
Peru	10
Papua New Guinea	11
Fiji	12
Non-development projects	12
Lessons Learnt	13
First Nations Scholarship Program Evaluation, Australia	13
School Peace Project Evaluation, Peru	14
Our Dedicated Supporters	15
ethica Highlights	16
Environmental Sustainability	16
Our People	17
Financial Summary	18
Audited Financial Statements for the year ended 30 June 2019	19



The Australian Council for International Development (ACFID) is the peak Council for Australian not-for-profit aid and development organisations. As an ACFID member, Mary MacKillop Today is a signatory to the ACFID Code of Conduct, which is a voluntary, self-regulating sector code of good practice. As a signatory we are committed and fully adhere to the ACFID Code of Conduct, conducting our work with transparency, accountability and integrity.

Complaints alleging breaches of the ACFID Code of Conduct can be made to the ACFID Code of Conduct Committee via www.acfid.asn.au/code-ofconduct/complaints

Mary MacKillop Today welcomes feedback about our organisation. To provide feedback, or lodge a complaint or compliment, call 02 8912 2777, write to Mary MacKillop Today, PO Box 1646 North Sydney 2060 or send an email to complaints@marymackilloptoday.org.au



Mary MacKillop Today is accredited by the Australian Department of Foreign Affairs and Trade (DFAT), responsible for managing Australia's aid program. To maintain accreditation, Mary MacKillop Today's systems, policies and processes are rigorously reviewed by the Australian Government. Mary MacKillop Today receives support through the Australian NGO Cooperation Program (ANCP)

Message from our Chair



Dear Friends

On reflection, this past year has again shown the genuine commitment of Mary MacKillop Today to shape the lives of our brothers and sisters in need. We lift people out of poverty, create quality education in the classroom and at home and promote good health in the minds of teachers, children and community leaders.

In January of this year I travelled to Timor-Leste and met some extraordinary people including a primary school student called Maia, her family and their community. I was inspired by her enthusiasm and love for reading as well as her hopes and dreams for the future – a future that now has so many more possibilities because her teachers have been trained by Mary MacKillop Today.

This was a true example of how education acts as a pathway out of poverty for many.

I am grateful for the many examples of generosity and support shown throughout our community. Through your kindness, we have been able to focus our activities on bringing about sustainable change in the communities in which we are privileged to work.

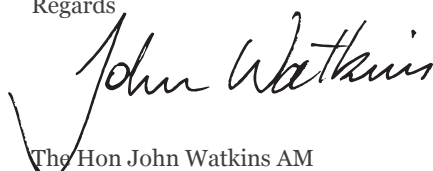
I would like to make special thanks to Mary MacKillop Today's CEO, Kirsty Robertson, who has been an incredible force behind the significant impact of our programs and partnerships thus far. Kirsty will be moving on to a new role this coming year, so we thank her for her hard work and dedication over the past five and a half years.

This year also saw some changes in the membership of our Board. Terry Clout, Margaret Crowley and Danielle Achikian resigned from their board positions and I take this opportunity to thank them for their service. They remain very much engaged in the work of the Sisters of Saint Joseph in important new roles.

I would also like to take this opportunity to thank the Sisters of Saint Joseph for their continued generosity and support.

Looking to the future, I am excited to see what the next year brings. Together, we will make an even greater impact for people in need and ensure the dignity of each person in Australia and overseas is realised. As we hold their stories in our hearts, may we pray blessings upon each of the people we serve.

Regards



The Hon John Watkins AM

YEAR AT A GLANCE

In Australia, we:

- Supported 20 small but life-changing projects across Australia that aim to promote education in all its forms.
- Administered a total of 1,043 no-interest loans to the value of \$980,303.04 and made 521 referrals for those experiencing financial hardship.
- Supported 68 students through our First Nations Tertiary Scholarship Program.

In Timor-Leste, we:

- Provided training to a total of 270 teachers and 581 parents in areas of literacy, health education and child protection.
- Engaged over 5,000 children and 177 teachers in fun and interactive educational activities via the Mobile Learning Centre.
- Distributed over 20,000 Tetun Literacy resources, ensuring tens of thousands of children receive quality education.

Message from our CEO



Dear Friends,

Year on year I am humbled by the dedication and commitment of our inspiring community.

There were many highlights and achievements from this year that I am thrilled to share with you. Mary MacKillop Today celebrated our first anniversary and were rightly very proud of all that has been achieved to date. The Department of Foreign Affairs and Trade (DFAT) confirmed full accreditation status for our organisation, and through donations from our generous supporters over \$1.65 million dollars was raised. Overall our income continues to rise and most importantly, the number of donors who support our

vital work also continues to increase.

Inspired by a woman and led by the vision of the Sisters of Saint Joseph, women remain central to our story and the communities we serve. Through our education and life skills programs, we empower individuals and communities to develop essential skills for self-sufficiency. We choose to be pioneering and brave, able to go where no one else will so that we can serve communities others may overlook.

I would like to take this opportunity to advise you that I will be moving on from my role as CEO at Mary MacKillop Today. I'd like to personally thank you for helping continue Saint Mary MacKillop and Julian Tenison-Wood's legacy and for your commitment, compassion and care for those in need. As Mary MacKillop said "Believe in the whisperings of God to your own heart" and in this spirit, I would like to express my sincerest thanks to all of our primary stakeholders, the Mary MacKillop Today Chairperson, the Hon John Watkins, our generous individual donors, our Board of Directors and staff, the Sisters of Saint Joseph, volunteers, community groups, parishes and schools and to all whom support our work.

I leave knowing that the vital work of Mary MacKillop Today, inspired by Mary's passion, will continue to follow her example by walking alongside our brothers and sisters to create generational change in the lives of both individuals and communities.

Warm regards

A handwritten signature in black ink that reads "K. Robertson".

Kirsty Robertson

In Peru, we:

- Trained 600 students and 422 teachers to promote a culture of peace in their schools.
- Continued to empower indigenous Peruvian artisans (91% women) with the skills to generate an income for themselves and their families, including training 43 artisans in the production of sewn goods and 26 artisans in the production of knitted goods.

In Fiji, we:

- Trained 38 women aged 21-40 in leadership across 3 communities.

In PNG, we:

- Engaged 1,920 community members to participate in awareness activities and ear and eye screening, of which 144 people with disability or treatable impairment were identified and referred to services.
- Produced two early learning readers in partnership with Buk bilong Pikinini focusing on the rights of children with disability to education.



Our values

FAITH

Guided by the charism and spirituality of the Sisters of Saint Joseph of the Sacred Heart we are full of faith and hope in the Gospel teachings and in God's Providence, each other and humanity.

ACCOUNTABILITY

We take our responsibilities and partnerships seriously. Our decisions, actions, governance, transparency, integrity and trust can be relied on.

RESPECT

We respect the dignity of all, we bring light to the darkest corners of society and we are motivated by the needs of others.

EXCELLENCE

With our commitment to quality, we do what we do very well so those we serve can expect the best. We are committed to programs that demonstrably enact our mission, to evidence-based programming, sustainability and achievable outcomes.

Our Focus

In the spirit of Mary MacKillop, our focus is on building dignity through learning for life. By partnering with local communities, organisations and groups, we bring dignity to thousands of children, women and families in Australia and throughout the world.

Our purpose

LEARNING FOR LIFE: Enabling access to learning opportunities including traditional literacy, numeracy and broad skills for living, across the various stages of life. Through our education and life skills programs we develop essential skills for self-sufficiency.

‘Learning for Life’

This year, Mary MacKillop Today continued to focus all of our programs around **learning for life**, bringing education in all its form to communities in Australia and overseas.

Mary MacKillop Today is dedicated to improving access to and the quality of education for all individuals, recognising that education has the power to transform communities and eradicate poverty. Our many programs recognise the interdependent relationship between the right to education and the realisation of other human rights and freedom through education, including but not limited to, sustainable livelihoods, health

and wellbeing. For this reason, Mary MacKillop Today is committed to creating access to quality learning environments that can and do enable the achievement of social justice and economic development goals.

At Mary MacKillop Today, our approach to programming is also shaped by our core principles, which are grounded in Catholic Social Teaching. These include Women at the Heart, Reaching the Margins, Dignity through Self Determination, and Genuine Partnership.





“Lucky for me I work for a great organisation which enables me to help those in my community access no interest and low interest loans so they can afford essential items that can make a monumental difference in their lives. This is not just a scooter for my client, it is something that brings him great pride and joy to own, it gives him back his independence to do his grocery shopping when and where he chooses and it provides him the opportunity to access the community and participate socially on a level he was unable to do so before.”

Emma Roberts, Financial Inclusion Officer, Cowra

AUSTRALIA

Throughout 2018-19, Mary MacKillop Today provided life-changing support for vulnerable people in Australia. Mary MacKillop Today's **Financial Inclusion Program** continued to support low income earners to move away from financial hardship towards stability and more meaningful economic participation through the provision of no and low interest loans. This year, the Financial Inclusion Program administered a total of 1,043 NILS loans to the value of \$980,303, as well as 55 StepUP loans with a total of \$161,300 lent. Mary MacKillop Today Financial Inclusion Officers also continued to work with clients to not only administer the loans but also help them address the underlying issues that might be affecting their financial capability, including providing service referrals, budgeting assistance, and general advocacy. Over the past year, a total of 521 referrals were made to services including financial capability training and counselling, family support, emergency assistance, housing, centrelink, and NGO and government agencies. By addressing the underlying issues and improving people's financial capability these clients are better able to manage their finances and therefore break the cycle of poverty, enhancing their dignity and independence.

This year the **Community Grants** program supported 20 small but life-changing projects across Australia that aim to promote education in all its forms. Projects were delivered in NSW (8 projects), Victoria (5 projects), Queensland (3 projects), Western Australia (3 projects) and South Australia (1 project). These projects worked with a diverse group of participants, including Aboriginal and Torres Strait Islander communities, women and young mothers, homeless populations and newly arrived migrants and people from refugee backgrounds. By providing opportunities for life-long learning to people on the margins of Australian communities, the Community Grants program enables people to realise their potential.





Mary MacKillop Today assisted 68 students through the **First Nations Tertiary Scholarship Program** this year. This included supporting First Nations women through the Good Shepherd Reconciliation Scholarship for women, in partnership with Good Shepherd Australia New Zealand (GSANZ), dedicated to empowering First Nations women to access and achieve their academic goals. New students to the program in 2019 have reported that the scholarship has helped to address some of the barriers that have prevented them from studying and also improved their confidence. Through accessing tertiary education, First Nations Scholarship recipients can achieve a better quality of life for themselves, their families and their communities.

In May 2019 Mary MacKillop Today signed a partnership agreement with the Telethon Kids Institute (TKI), an Australian medical research institute based in Perth that is dedicated to improving the health and wellbeing of children. Through this partnership Mary MacKillop Today is supporting the implementation of Yawardani Jan-ga (good feeling from horses), an Equine Assisted Learning (EAL) program for Aboriginal Youth in the Kimberley region.

The program aims to improve education outcomes by addressing the social and emotional wellbeing barriers to education faced by Aboriginal Youth in this region. The objectives of this program include increased educational attainment of Aboriginal Youth as well as the development of culturally appropriate Social and Emotional Wellbeing Tools that can, in the long term, be disseminated for use by community members, health and education providers.

“Your scholarship helps my family so much... the financial stresses endured are now relieved somewhat with such a generous amount you provide in the scholarship”.

First Nations Scholarship Student, Australia

TIMOR-LESTE

This year in Timor-Leste, Mary MacKillop Today continued to work as a key development partner alongside the Ministry of Education to enhance the quality of education in Timor-Leste pre-schools and primary schools, through the **Tetun Literacy and Teacher Training** program. Training and ongoing mentoring was provided to a total of 173 teachers from 53 schools in Dili, Viqueque and Manufahe, ensuring 2,813 children receive quality education in safe and inclusive environments in the classroom. As part of this, Mary MacKillop Today distributed a total of 16,699 socially, culturally and linguistically inclusive Tetun books for teachers to use in the classroom to improve the literacy skills of students. During the monitoring of teachers by the Field Based Officers, a total of 98% of the teachers utilised resources including books, music and games in lesson support, and 86% of teachers demonstrated creative and effective classroom management. By enhancing the skills of teachers, children can receive the best possible start to their education and have the opportunity to reach their full potential, thereby positively contributing to their family, their community and their nation.

This year, the **Parents Project** delivered training to 581 parents from Dili and Manufahe district to equip them with the skills, knowledge and confidence to support their children's education at the home. After attending the parents' workshops, 99.5% of parents reported that they had read to their children at home in the past week and 99% reported that they had used music and singing at home. In addition, after attending the training a total of 73% of parents could successfully implement positive discipline strategies with their children, ensuring children can be supported at home in a safe environment. Mary MacKillop Today also distributed a total of 12,804 resources to parents for use at home. As a result of this program, 1,088 children are receiving the support they need at home to further enhance their education outcomes and support their schooling.

For these projects, from January 2019, Mary MacKillop Today partnered with the Edmund Rice Foundation Australia and received support from the Australian Government through an Australian Aid: Friendship Grant.



The Parents Program really encouraged me to improve my literacy and numeracy. I never miss the opportunity to participate in training. Now I can write my name correctly and read story books well. The Program really helped me to develop my literacy skills to share with my little son who is in grade one. In the evening after dinner I encourage my son to read a short story book and help him to finish his homework."

Ana, Parents Program participant, Sabuli village, Timor-Leste

Throughout the year, the **Mobile Learning Centre** (MLC) continued to bring the joy of education back to schools and encourage teachers to engage in creative and interactive methods to deliver literacy and numeracy lessons to students. The MLC bus visited over 28 schools in Dili and Liquica, with 5,056 children and 177 teachers participating in learning activities based on key educational themes. The bus also continued to run its library service to address the severe lack of resources in the classroom, loaning out more than 1,718 class sets of books to teachers. A total of 99.2% of teachers reported that they were actively using the books in the classroom, and 91.1% of teachers were implementing fun and creative activities as a result of the bus visits. A total of 98.9% of children said they enjoyed the learning activities.

Timor-Leste's **Healthy Schools Project** continued to deliver basic preventative health training to teachers in some of the most remote and underserved communities in the country, where there is very limited access to health services and a large prevalence of preventable diseases. 2018-2019 provided an opportunity for the Health Literacy team to trial some of the new approaches that were recommended in the 2017 Project Evaluation in order to influence and transform the school environment to be more supportive of healthy behaviours, which have proven successful. Mary MacKillop Today delivered the health training to 97 primary school teachers from 26 schools in Manufahe, who went on to deliver the project to over 4,569 students. A total of 97.7% of teachers increased their knowledge on how to effectively implement the health program after attending the training, and 99.5% of teachers were delivering the lesson at a high standard during follow-up evaluation. In addition, staff worked with school communities to host special health promotion events at each school, monitor health and hygiene resources within schools and even provide new sanitary facilities such as latrines and hand washing stations through the small grants program. Health awareness sessions were also held for over 500 parents from the community so they can help



support healthy behaviours at home.

In 2018-19, Mary MacKillop Today commenced implementation of a set of **Livelihoods Projects** in Railaco, Ermera District. This year, Mary MacKillop Today supported 56 women who were previously making cards to empower them to generate income through self-managed livelihoods activities. These women attended training to become confident in independently running/participating in a savings and loans group. This year, the Vanilla 'Beans of Hope' project provided technical training to 43 farmers in four villages. This included Land Preparation (creating field terraces and instruction for planting); instruction on harvesting, nursery, mulching, looping and pollination. The Field Based Officers mentored and assisted farmers to plant 668 trees and 160 Vanilla crops.

“It was so interesting to learn more about basic health, including how to throw rubbish in the proper place, and how to teach children to wash their hands before eating. I really appreciate and am so thankful for the Small Grants through Health Literacy program that Mary MacKillop Today provides. We have been supported to build a new toilet which is so valuable. I am proud of this opportunity to be a Health promoter in my rural school.”

Adriana, Teacher & Health Literacy participant, Manufahe Municipality, Timor-Leste



PERU

The **School Peace Project**, delivered in partnership with Centre for Education, Organisation and the Promotion of Development (CEOP Ilo), entered the final year of its 3-year implementation period in 2018-19, and has achieved significant impact during this time. Over the last year, almost 600 students have initiated their own projects to promote peace and student leadership, which included a theatre production for over 400 students, and a Peace Promotion Fair involving over 500 students. Furthermore, 422 teachers were trained to promote a culture of peace in participating schools, and over 2000 parents were sensitized in promoting a culture of peace. One of the highlights of this project is that the Regional Government education institutions will now assume responsibility for continuing the project which will ensure this impact is sustained. Prior to finishing the project, CEOP Ilo not only trained the regional education representatives to support teachers in contributing to a peaceful school culture, they also ensured that there were signed agreements with the schools in the region to combat violence in schools through student leadership. The project was also instrumental in changing the curriculum for Personal Development and Citizenship to support a peaceful learning environment.

The **Livelihoods Project**, delivered in partnership with Jesus the Worker Agro-industrial Training Center (CCALJO), continues to empower indigenous Peruvian artisans (91% women) with the skills to generate an income for themselves and their families. This year, the project included 8 trainings for up to 43 artisans in the production of sewn goods and 9 trainings for up to 26 artisans in the production of knitted goods. Training topics included iconography, design and innovation, finishing and business administration. These artisans also met 2-3 times per week and were mentored by technical staff to produce and market their garments. 14 artisans undertook a learning exchange to Puno to better understand how to engage the increasing tourist market in the region, vital to the ongoing sustainability of their businesses. Many women have been able to afford their own sewing looms from income generated through their production and partly subsidised by CCALJO. This enables the women to sew in their own homes, giving them increased independence. Over 80% of the artisans have demonstrated improved abilities to produce garments which has led to increased income.



PAPUA NEW GUINEA

The **Inclusive Communities Project**, delivered in partnership with Callan Vanimo Inclusive Education Resource Centre, aims to bridge the gaps in service provision for people with disability in remote and underserved communities. This year, 11 additional volunteers were identified bringing the total to 31 volunteers from 10 catchment areas. The volunteers participated in a series of training workshops to further build their capacity to identify, assess and refer people with disability while providing awareness and basic education and health services at the community level. 77 people with disability have been identified by the volunteers and the Centre staff are now working to develop Case Management Plans in collaboration with clients, volunteers and families to determine the support required to enable these individuals to achieve their health, education and social goals. A new focus of the project in 2018-19 was the engagement of government representatives, recognising the importance of government support for ongoing sustainability and impact. 11 Ward Recorders, Local-Level Government Representatives with responsibility for maintaining village population records, participated in 2 training workshops to build their understanding of disability, the rights of people with disability and disability inclusive data-collection.

This project received support from the Australian Government through an Australian Aid: Friendship Grant.



In 2018-19, as part of the **Komuniti Early Learning** project, 415 children (51% boys and 49% girls) aged 3-7 were enrolled in community pre-schools in 2018-19 including 19 children with disability. The training and support provided to Community Educators in the previous year by our partner, Buk bilong Pikinini, has enabled this incredible growth, with 3 new communities requesting the training and resources for 2019-20. Two early learning readers were produced in partnership with Buk bilong Pikinini focusing on the rights of children with disability to education. This included the 'Our Special Stories' reader which was drafted through a series of interviews with children with disability engaged in inclusive education programs in Port Moresby and in the Sandaun Province, and featured their own images and stories of change. 10,000 copies of these books are being printed and distributed to community libraries and elementary schools throughout PNG to help promote inclusive and high-quality education for all.

**Australian
Aid** 

I want to say thank you to Mary MacKillop Today and Callan Vanimo IERC for including us Ward Recorders in the CBR program. I was very privileged to attend the training and learn information about people with disability I had not come across before. Without the training I would not have known how important it was to count people with disability [in the Ward Records], for these people to be included. I now know that people with disability have the same rights as anyone else in my community. I know that our community needs to be inclusive."

John, Inclusive Communities Project, Vanimo, PNG

FIJI

The **Women's Leadership Project** (Project Talitha) aims to build the confidence, knowledge and capabilities of young women in Fiji to become agents of change in their communities. The project focuses on three levels of change (1) the leader within: confidence, rights and self-worth, (2) leading together: building connections, creating shared spaces and mentoring, and (3) leaders that create change: community development, advocacy and small enterprise management. Since January 2019, 38 women aged 21-40 have been identified and trained across 3 target communities and have participated in training in women's rights, self-care, women's health, financial literacy and peer-mentoring. In addition to the training targeting the primary participants, 71 women in the target communities participated in a women's rights training delivered in partnership with 3 local women's organisations while 74 people (95% women) participated in a women's health workshop delivered alongside the Ministry of Health. A 'Club' space has been created in each community where young women have the opportunity to gather, share and reflect outside formal project activities. In the first 6 months alone, 100% of women trained have reported improved awareness of their rights as a result of the project, while 3 women have secured employment and 2 of the local project implementors have been offered positions on the Village Community Development and at the Regional Heads of Department meetings respectively.



This year, Mary MacKillop Today has enabled the establishment of two new **Mobile Kindy** sites in informal settlements on the outskirts of the Fijian capital of Suva in partnership with Child Benefit. Families in these communities have often moved from remote island communities or other Pacific Island nations in search of opportunities. Many of the children in these communities do not have birth certificates, and so government services are limited. The Mobile Kindy project has provided vital early learning opportunities for children aged 2-5 in informal settlements, while also linking families to available government services through registration and referral efforts.

"To know who I am and where I came from, this is very important to know who you are."

Ala, Women's Leadership Project Participant, Fiji



Non-development projects

In Peru, Mary MacKillop Today has also been supporting a number of non-development projects implemented by the Sisters of St Joseph. The largest project is the Mary MacKillop Huasi centre for children with disability, which delivers physiotherapy, linguistic therapy, and psychological therapy to over 75 children. Of note is their School for Parents, which held 11 sessions on different topics to support parents in enhancing the welfare of their children. The Small Grants Program continued to support small

community projects and succeeded in training 21 men in prison to make leather goods, supporting the nutritional breakfast for preschool children with a disability, and supporting 79 elderly people to meet up in groups, psychological sessions, and social activities.

In Timor-Leste, Mary MacKillop Today also continued to support small-scale non-development projects to support school and university students to complete their studies.

Lessons Learnt

Mary MacKillop Today is committed to ongoing learning to ensure our programs are high quality, effective and reflect our organisational values. In addition to regular program monitoring and learning activities, Mary MacKillop Today invested in a number of project evaluations in 2018-19.

First Nations Scholarship Program Evaluation, Australia

An external evaluation of the First Nations Scholarships was undertaken, engaging current and former scholarship holders, staff, Board members, community partners and supporters were engaged through online surveys, phone or face-to-face interviews, and through a participatory planning workshop.

Key Findings

87% of students confirmed that the financial support provided by the scholarship program was critical in helping them to complete their studies. However, many noted that the scholarship had not been increased to reflect rising cost of living in Australia. The data showed that the program has been able to deliver a solid level of personal support to a number of students, and this could be strengthened through partnership with community-owned organisations to ensure the program is more responsive to individual circumstances. 92% of current and past scholarship recipients acknowledged that being awarded the scholarship has played a significant role in building their confidence, while out of the 89 graduates who reported back to Mary MacKillop, 82% had found work in a 'professional' sector, many of whom had participated in aligning programs that aimed to build career pathways. 48% were/are working with Aboriginal and Torres

Strait Islander organisations or communities.

It was recognised that for Aboriginal and Torres Strait Islander students to succeed at a tertiary level, there is often a need to access a range of social, financial and academic support. This should go beyond financial support to also include personalised and culturally appropriate support to build aspiration and help navigate new academic environments. It was also noted that TAFE, college and bridging courses are valuable pathways to employment or higher learning, and support for students is vital while undertaking these courses and during the first year of university.



Mary MacKillop Today Response

Mary MacKillop Today has adopted a number of the key evaluation recommendations, including:

- Selection criteria strengthened for 2019 applications to more strongly reflect our mandate and commitment to 'Reaching the Margins' including holding a number of scholarships for students from the Kimberley
- Scholarship amount was increased to \$2,500 per semester for full time students from January 2019 to reflect rising cost of living.
- An advisory panel has been established and participated in the selection process for the 2019 scholarships cohort, reflecting the importance of two-way decision-making and learning. The advisory panel consists of program alumni.
- Bridging and TAFE courses, as well as first year university study were accepted from 2019 recognising the importance of support at these early stages.
- Mary MacKillop Today has made a number of connections with community owned organisations as well as education providers and has developed a list of referrals for students engaged in the program.

School Peace Project Evaluation, Peru

An external evaluation of the School Peace Project, implemented by CEOP Ilo, was undertaken in October 2018 engaging participating students, school directors, teachers and other key project stakeholders.

Key Findings

The results demonstrated that over the 3-year project period, almost 600 students were trained in combatting school and family violence through promoting a culture of peace in their schools. Furthermore, 136 teachers enhanced their knowledge of conflict management and promoting a culture of peace, and 60 parent and community committees are now promoting a culture of peace within their school community as a result of the project. Importantly the evaluation noted the positive and constructive relationship that

had been established with regional educational institutions which has seen project resources and materials added to the school curriculum in the region. Although the evaluation was positive, there were a number of recommendations made regarding project sustainability, namely the importance of allowing adequate time for handing over key project implementation tasks to government actors, and exploring the role of parents and caregivers in the promotion of peace.

Mary MacKillop Today Response

As the regional educational institutions have agreed to adopt the role of training teachers using the materials developed by CEOP Ilo, the School Peace Project was granted a 6-month extension until December 2019 to ensure the effective transition into government-led implementation. This transition will embed the program in the regional curriculum and will enable the teachers to continue training the students in promoting a culture of peace. These actions will promote the sustainability of the good results obtained from this project. Mary MacKillop Today has also been working closely with CEOP Ilo to design the next phase of this work which will seek to improve parental engagement in education, particularly in remote and underserved regions.



Our Dedicated Supporters

In the spirit of Saint Mary MacKillop, our wonderful donors and supporters play such a vital role in enabling transformation and change in the lives of so many. To reflect this, we are proud to promote the importance of access to education, financial inclusion and social entrepreneurship for vulnerable individuals and communities.

We at Mary MacKillop Today humbly follow in the footsteps of Mary MacKillop, growing our relationship with our fellow supporters including kind individuals, community groups, trusts and foundations, parishes, schools as well as the Australian Government. This past financial year has been an exciting time of growth for Mary MacKillop Today and it is only through the ongoing commitment of individual and institutional support that we have been able to help empower marginalised communities into the future. Your kind donations have been instrumental in transforming lives through our learning for life programs both here in Australia and overseas.

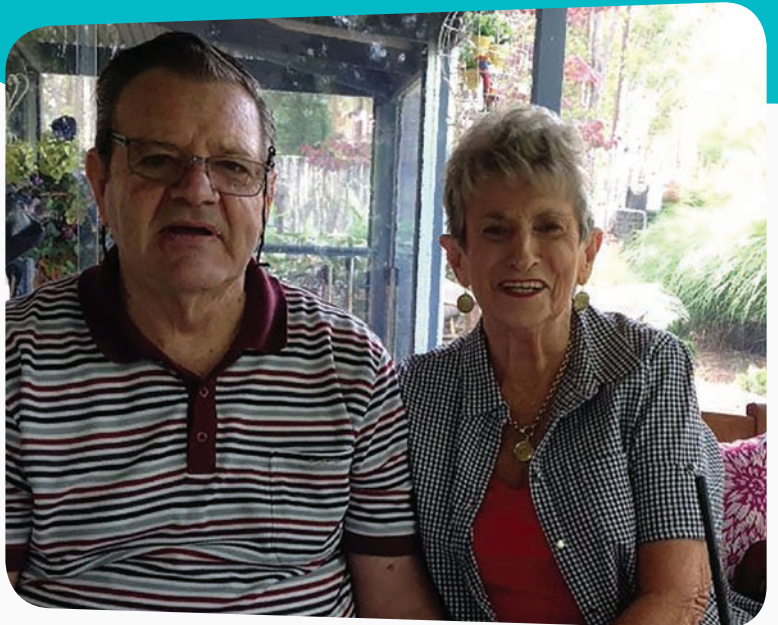
Some standout highlights of the past year included building new and ongoing partnerships with community groups, trusts, foundations and corporate entities. We have been welcomed by Parishes across the country and felt privileged to support our dedicated schools with their innovative fundraising efforts.

Sincerest gratitude must be expressed to our wonderful Mary MacKillop Today Committees both in Victoria and Western Australia for all their hard work this financial year. A special thanks also to our wonderful volunteers who generated an impressive \$86,000 this year from the proceeds of stamps.

Thank you to all our wonderful Donors for your kindness and support this past year, your generosity has made so much possible for those who hope for a better future, making a huge difference in many people's lives.



Dr Glenn Pearce and friend



Mary MacKillop Today supporters John Murray and Jill Beh



ethica Highlights

This year, we continued to gather strength in the way we operate after our ethica rebranding which has continued to generate great feedback with very positive results.

We again went to the Australian Gifts & Homewares Association (AGHA) fair trade show where we showcased our new rebranded ethica products, resulting in 20 new customers and many repeat orders.

Sustainability and quality are increasingly important for buyers, who are buying fewer items and prefer to purchase products that are special, fair trade and environmentally friendly. This current trend is very much in-line with the ethos and values of ethica and parallel to this, Mary MacKillop Today continues to be endorsed as a Fair-Trade workplace.

With an ongoing presence in markets, ethica

continued to see a steady increase in sales in an ever increasing and sometimes difficult retail market. ethica also launched our very first Kickstarter campaign in support of the single teen mothers' group in Peru and, thanks to the generous support of Australians, we reached our funding target. We are now also fulfilling orders to the UK, the Netherlands and the U.S.A.

The annual ethica trivia night was well attended by many of our enthusiastic supporters and sales on the night increased by 40% from last year.

Moving forward, we will continue to help women in Peru with a fair income and support them to develop life-changing livelihoods skills so they can create positive futures for themselves, their families and their communities.

Gina Bradley
ethica

Environmental Sustainability

In the FY 2018-19, Mary MacKillop Today's key focus for improving Environmental Sustainability has been around addressing motivations, raising awareness through conversations, and inspiring action. We have developed 10 key Principles for reducing our impact and consumption, providing staff with many ideas and encouragement. The North Sydney office has undergone an environmental audit, resulting in improved signage and recycling practices, and participation

in several innovative re-use initiatives as an office. We were also successful in achieving Fair Trade Workplace Accreditation, a significant accomplishment given the extensive timeframe and hurdles involved in this process. This has given us incentive to encourage discussions with staff and partners on purchasing fair trade and informed our procurement practices.

Our People

Our first year as Mary MacKillop Today saw the joining together of staff from the Josephite Foundation, Mary MacKillop Foundation and Mary MacKillop International. Despite being spread out across various locations in Australia and overseas, our large and friendly team share a passion for service to the poor and a commitment to justice. Each and every one of them have brought their unique gifts and talents to our organisation.

At 30th June 2019 there were 33 Staff in Australia – 4 men and 29 women. This included 26 staff in North Sydney (16 full time and 10 part time), and 7 staff based remotely in Bathurst, Orange, Cowra, Young and Lithgow. In Timor-Leste, Mary MacKillop Today had a total of 37 fulltime staff members, including 12 women and 25 men, as well as one Sister of St Joseph working as a mentor.

Throughout 2018-19, Mary MacKillop Today continued to commit time and resources to the professional development of staff both in Australia and overseas, to ensure staff have the necessary skills and experience to work at the highest standard possible and reach their full potential. Staff also gathered together for our annual Staff Retreat in the Blue Mountains in November 2018 to reflect on the Josephite charism and how this underpins the work we do, as well as appreciate our achievements over the past year and explore our shared vision for the future.



*“Whether we search in earth, or sky, or sea,
we are everywhere met by visions of the
illimitable.”*

Julian Tenison Woods, 1882

Financial Summary

For the period ended 30 June 2019, the following financial report illustrates that Mary MacKillop Today has a strong balance sheet to support the financial sustainability of the organisation.

As a result of the merge of Mary MacKillop Foundation, the Josephite Foundation and Mary MacKillop International on 1st July 2018, total revenue for the 2018-19 financial year was \$4,552,002 representing an overall increase of 48% in comparison to FY 2017-18. This included \$221,485 in sales revenue through ethica. Donation income of \$1,675,912 generated during 2018-19 included generous donations from individual Donors, schools, community groups, Parishes, trusts and foundations, as well as corporate entities. Mary MacKillop Today also received a donation of \$1,310,000 from the Sisters of Saint Joseph (recorded here as ‘other income’) signaling their ongoing commitment to the mission of Mary MacKillop Today. The generous gifts received support our work in providing quality education and learning for life opportunities, reaching vulnerable individuals and communities to create generational change. Grant revenue totaled \$656,792 and included funds received from the Australian Government through the Australian Aid: Friendship Grant. As part of our ongoing growth strategy, Mary MacKillop Today achieved full DFAT accreditation and entry into the Australian NGO Corporation Program. Funding from this source will commence in the next financial year and will allow us to expand our funding opportunities.

Bequests remain an important part in planning for the future and Mary MacKillop Today was very honoured to receive generous Bequest gifts totaling \$112,163.

Mary MacKillop Today had total program expenditure of \$3.1 million with \$1.16 million spent on newly acquired domestic programs. There was a total expenditure of \$1.94 million on international programs, including \$90,398 on non-development projects, which reflects an overall increase in international program expenditure of 22% in comparison to last year. Ethica’s total expenditure totaled \$183,651.

Continued cost cutting resulted in a 19% decrease in administration and depreciation expenses. Mary MacKillop Today continues to pursue an income diversification strategy moving into 2020 working toward the ultimate goal of long-term sustainability. This will be driven by a focus on new and ongoing partnerships as well as public fundraising. The Board and management of Mary MacKillop Today continue to closely monitor the organisation’s financial situation, ensuring both a healthy bottom line while maximising our effectiveness and impact in the lives of those who need it most.



Mary MacKillop Today

ACN 159 091 737

Audited Financial Statements for the year ended 30 June 2019

Directors' Report	20
Audited Independence Declaration	27
Statement of Profit or Loss and Other Comprehensive Income	28
Statement of Financial Position	29
Statement of Changes in Equity	30
Statement of Cash Flows	31
Notes to the Financial Statements	32
Directors' Declaration	48
Independent Audit Report	49

Directors' report

The directors present their report on Mary MacKillop Today (the 'Company') for the financial year ended 30 June 2019.

Directors

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

Honourable John Watkins AM	Chairperson
Anthony Abraham	
Grahame Petersen	
John Collins	
Kate Barnett	
Sr Sheila McCreanor	
Margaret Crowley	Resigned 14 March 2019
Terrance Clout	Resigned 29 March 2019
Danielle Achikian	Resigned 2 April 2019
Kieran Gleeson	Appointed 9 August 2019
Yvonne Butler	Appointed 9 August 2019

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

Information on directors

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

Honourable John Watkins AM	Chairperson
Qualifications	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, Calvary Health Care, and Catholic Health Australia.
Anthony Abraham	Chairperson of the Audit, Finance and Risk Committee
Qualifications	BEC, LLB
Experience	Anthony has experience in funds management, corporate finance, tax, accounting and finance. 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. Anthony has been involved in boards and finance committees for parish and schools in the past.

Directors' report

Information on directors (continued)

Grahame Petersen	Member of the Audit, Finance and Risk Committee
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.
John Collins	Member of the Audit, Finance and Risk Committee
Qualifications	B Comm (Hons), CA, CFP
Experience	Throughout a twenty five year financial services career John worked for Arthur Andersen (Ernst & Young), Macquarie Bank and Deutsche Bank. Through those roles John has developed a unique skillset that enables him to deliver innovative and commercial solutions to the complex issues faced by Australia's largest corporates and wealthiest private families. In 2010, John founded Black Pearl Private Clients, a boutique advisory firm that structures merger, acquisition and value realisation solutions for private business owners, together with succession planning and estate planning strategies.
Kate Barnett	Director
Qualifications	BA LLB (Hons) Dip.Mod.Lang (Chinese) Melb. GradDipCommM UTS
Experience	Over the past 20 years Kate has worked in various roles building enduring and effective programs and teams that contribute significant results in philanthropy, sponsorship, engagement and advocacy. She was the National Executive Director of the Australia China Business Council from 2005-2009 a role which included influencing and informing the national debate on Australia-China relations, and building a strong, and mutually beneficial bilateral relationships. She then worked with the University of Melbourne in various roles leading philanthropic engagement including major gifts fundraising, bequests and donor stewardship events. Kate currently serves as the Chief Executive, of St Vincent's Institute (SVI) Foundation at SVI of Medical Research in Melbourne.
Sr Sheila McCreanor	Director
Qualifications	Dip T, Grad Dip Ed Admin, M Ed, PhD, GAICD, JP
Experience	Sheila was a teacher and school principal for close to 25 years at various schools across South Australia. In 2000 Sheila completed her Doctor of Philosophy through the University of South Australia where her thesis explored Sainthood in Australia: Mary MacKillop and the Print Media. Between 2002 and 2014 she acted as the Secretary General for Sisters of St Joseph and during those years Sheila visited the works of Sisters of St Joseph in Peru, Brazil and Timor-Leste. She has held various Director roles during the last two decades including with Mary MacKillop Care South Australia and the Mary MacKillop Foundation. Sheila is currently working as a consultant in governance, as an associate archivist and will complete her Canon Law in coming weeks. This will result in her being awarded a Licentiate, JCL as well as a Masters in Canon Law, MCL.

Directors' report

Information on directors (continued)

Margaret Crowley	Director (Resigned 14 March 2019)
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 Ministries 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.
Terrance Clout	Director, Member Finance, Audit and Risk Committee, Strategic Planning Consultation Committee (Resigned 29 March 2019)
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.
Danielle Achikian	Director (Resigned 2 April 2019)
Qualifications	B.A.
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.
Kieran Gleeson	Director (Appointed 9 August 2019)
Qualifications	Fellow of the Institute of Public Accountants; Associate Fellow of the Australian College of Health Service Executives
Experience	Kieran has been a successful senior manager in complex organisations in the public sector, at both Commonwealth and State level; in the private sector and internationally. In each senior management position he has embraced the role of leader and change manager. Kieran has extensive experience in the implementation of Government strategic goals in a practical, results driven manner. He has successfully led large organisations during periods of significant restructuring. This is evidenced through his career as a CEO in the NSW Health system, as the Chief Operating Officer in the Defence Support Group, as a First Assistant Secretary in Climate Change and as the National Director of Corporate Services for Calvary Health Care. Kieran has also led large Australian Aid Funded Projects in Papua New Guinea and Fiji. He has a demonstrated capacity for mentoring and coaching senior managers, both at a domestic and international level.

Directors' report

Information on directors (continued)

Yvonne Butler	Director (Appointed 9 August 2019)
Qualifications	BA, MBA(part), Fellow Governance Institute of Australia, Graduate Australian Institute of Company Directors, Fellow Australian Institute of Management, Fellow Australian Institute of Project Management
Experience	Yvonne is an experienced and outcomes oriented senior executive with a proven track record of success in corporate strategy, business consulting, general management, program and portfolio management and professional services delivery, spanning a successful career of more than 25 years working across public, private and not for profit sectors. She is the immediate past Chief Executive Officer of the Australian Institute of Project Management, a leading not for profit organisation and industry association, and has worked in one of the top 4 global accounting firms, two of the top Australian law firms, an ASX 100 listed company and global consulting practices. Yvonne has deep expertise in strategy execution, governance and risk management and is a passionate advocate for diversity and building capability in emerging economies.

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 activity of Mary MacKillop Today during the financial year include:

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

No significant changes in the nature of the Company's activity occurred during the financial year.

Objectives

Mary MacKillop Today aims to ensure all people can realise their dignity through life long learning. We achieve this through teacher training and parent education, health literacy and community-based rehabilitation, and vocational training programs in Peru, Timor-Leste, Papua New Guinea and Fiji. From 1 July 2018, Mary MacKillop International and the Mary MacKillop Foundation joined together to form Mary MacKillop Today, the new flagship ministry of the Sisters of Saint Joseph. Mary MacKillop Today will continue to work alongside people and communities in Papua New Guinea, Peru, Fiji and Timor-Leste, while also supporting vulnerable Australians through our First Nations Scholarships, Community Grants and Financial Inclusion programs.

Objectives (continued)

The Company's objectives are:

1. Programs and Partnerships

- 1.1. Build on the strengths of all existing programs, guided by our approach and principles including impact, quality and value for money.
- 1.2. Demonstrate our commitment to program quality and learning through the establishment and ongoing utilisation of a Mary MacKillop Today principles based program review and effectiveness framework to be applied to all programs.
- 1.3. Identify, scope and cost, expanded and/or new programs and partnership for Mary MacKillop Today in 2019-2023.
- 1.4. Maintain and further develop the Mary MacKillop Today partnership process and strategy.

2. Supporter Relations

- 2.1. Further develop engagement with the Members of the Company, the Congregational Leadership Team, the Josephite sisters and other related entities.
- 2.2. Develop an ongoing Communications Strategy to:
 - Maintain, develop and expand engaged and committed relationships with supporters, donors, partners and the Catholic and wider communities.
 - Develop and promote greater brand awareness and informed advocacy of Mary MacKillop Today with government, media, regulators and other stakeholders.
- 2.3. Amplify the voice of the marginalised, our beneficiaries and partners relevant to the programs of Mary MacKillop Today.

3. Governance

- 3.1. Establish and implement a strategy and plan for Board formation, development and annual review.
- 3.2. Establish a culture enacting the values of Mary MacKillop Today in how the Board engages, maintains its ongoing formation, communicates, manages risk and makes decisions.
- 3.3. Review and establish appropriate 'Terms of Reference' for all Mary MacKillop Today Board committees and other groups involved in fundraising, events, grants, scholarships and other Mary MacKillop Today activities.
- 3.4. Develop guidelines and tools to support Directors' contributions to the Board and broader work of Mary MacKillop Today.
- 3.5. Consolidate and continue to review the governance and management structures and internal arrangements for Mary MacKillop Today.
- 3.6. Build Board diversity with particular focus on the development of a pathway for inclusion of First nations peoples.

4. People and Resources

- 4.1. Design and develop an organisational development strategy focused on enacting the values of Mary MacKillop Today through a workplace culture of subsidiarity, collaboration and trust for all onsite and remote staff.
- 4.2. Establish effective Mary MacKillop Today operational systems for the achievement of organisational goals.
- 4.3. Prioritise the safeguarding of all people involved in our work in particular children and vulnerable adults in line with the standards set out by the Australian Council for International Development and Catholic Professional Standards.
- 4.4. Develop, implement and review a recruitment, staffing formation, diversity, safety and development plan.

Directors' report

Objectives (continued)

5. Financial Sustainability

5.1. Develop and implement an integrated, transparent and sustainable fundraising strategy that includes diversifying our avenues of donor acquisition and retaining our donor base.

5.2. Manage an integrated, sustainable budget including the preparation of audited accounts for the organisation including all services, funding sources and other expenses.

5.3. Establish a medium to longer term financial sustainability strategy, with agreed criteria, principles and policies and including costed service plans, investment and fundraising strategies and targets.

5.4. Develop and finalise a funding arrangement with the Sisters of Saint Joseph.

Strategy for achieving the objectives

The Company is guided by the Strategic Plan 2019-2024 which outlines the key objectives of the organisation over this period as outlined above. In addition to that the Company has a country Strategy for each of the countries it works in and an overarching Learning for Life Strategy which outlines our commitment to focus on education in all its forms.

Performance measures

The Company has key performance indicators which are used as verifications of achievement to evaluate MMT's performance against the key goals in its Strategic Plan 2019-2023. These measures help to ensure alignment between our direction, strategy, funding and capability, such that the objectives of MMT are achieved.

Contributions on winding up

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 2019, the total amount that members of the Company are liable to contribute if the Company is wound up is \$50.

Company secretary

Joanne Lee has held the role of the Company secretary since 14 December 2018.

Indemnifying officers or auditor

No indemnities have been given, however professional indemnities insurance premiums have been paid, during the financial year.

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.

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

Directors' report**Australian Council for International Development**

Mary MacKillop Today is a member of the Australian Council for International Development (ACFID). As a signatory the MMT 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 below:

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

Significant changes in state of affairs

On 1 July 2018, the merge of Mary MacKillop International ("MMI") and Mary MacKillop Foundation ("MMF") officially took place and Mary MacKillop International changed its name to Mary MacKillop Today ("MMT"). The merge of MMF into MMT occurred via a Deed of Transfer.

Meetings of directors

During the financial year, 6 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Honourable John Watkins AM	6	5
Anthony Abraham	6	5
Grahame Petersen	6	6
John Collins	6	6
Kate Barnett	6	6
Sr Sheila McCreanor	6	6
Margaret Crowley	6	4
Terrance Clout	6	5
Danielle Achikian	6	4



Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2019 has been received and can be found on page 8 of the financial report.

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

Director: 

Director: 

Dated this  day of  2019

RSM Australia Partners

Level 12, 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 Today for the year ended 30 June 2019, 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 PARTNERS**

C J HUME
Partner

Dated: 3 October 2019

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Australia Partners 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 Partners ABN 36 965 185 036

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 2019

	Note	2019 MMT \$	2019 Ethica \$	2019 Total \$	2018 \$
Revenue					
Donations and gifts:					
Monetary		1,675,912	-	1,675,912	907,732
Non-monetary		-	-	-	-
Bequests and legacies		112,163	-	112,163	54,520
Grants					
Department of Foreign Affairs and Trade		60,000	-	60,000	-
Other Australian		530,220	-	530,220	-
Other Overseas		66,572	-	66,572	27,060
Investment income		410,745	-	410,745	93,552
Sales revenue		12,526	221,485	234,011	183,983
Other income					
Interest income		-	-	-	72
Gain on sale of fixed assets		80,584	-	80,584	-
Other income		1,381,795	-	1,381,795	1,103,976
Total revenue		4,330,517	221,485	4,552,002	2,370,895
Expenditure					
International aid and development programs					
International programs					
International programs- development		(1,510,153)	-	(1,510,153)	(1,186,151)
International programs- program support cost		(319,438)	-	(319,438)	(245,675)
Fundraising costs- public		(742,294)	-	(742,294)	(307,512)
Depreciation of property, plant and equipment		(85,580)	-	(85,580)	(76,424)
Accountability and Admin		(417,939)	(137,257)	(555,196)	(687,446)
International programs - non development programs					
International programs- non development programs		(90,398)	-	(90,398)	(28,577)
Cost of sales		(49,830)	(46,394)	(96,224)	(98,551)
Domestic programs					
Domestic programs		(1,021,152)	-	(1,021,152)	-
Domestic programs - program support cost		(134,273)	-	(134,273)	-
Foreign exchange loss		(19,547)	-	(19,547)	(50,625)
Total expenditure		(4,390,604)	(183,651)	(4,574,255)	(2,680,961)
Loss of revenue over expenditure		(60,087)	37,834	(22,253)	(310,066)
Income tax expense		-	-	-	-
Loss of revenue over expenditure after tax		(60,087)	37,834	(22,253)	(310,066)
Other comprehensive loss		(405,137)	-	(405,137)	-
Total comprehensive loss attributable to the entity		(465,224)	37,834	(427,390)	(310,066)

The accompanying notes form part of these financial statements.

Statement of Financial Position as at 30 June 2019

	Notes	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	7,657,408	4,364,469
Trade and other receivables	5	401,232	73,617
Inventories	6	73,493	73,889
Other assets	7	44,379	26,749
TOTAL CURRENT ASSETS		8,176,512	4,538,724
NON-CURRENT ASSETS			
Property, plant and equipment	8	622,400	626,424
Investment	9	3,996,510	-
TOTAL NON-CURRENT ASSETS		4,618,910	626,424
TOTAL ASSETS		12,795,422	5,165,148
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	206,433	183,096
Contract liabilities	11	47,589	-
Employee benefits	12	161,098	147,223
TOTAL CURRENT LIABILITIES		415,120	330,319
NON-CURRENT LIABILITIES			
Trade and other payables	10	268,024	321,844
Employee benefits	12	63,996	15,947
TOTAL NON-CURRENT LIABILITIES		332,020	337,791
TOTAL LIABILITIES		747,140	668,110
NET ASSETS		12,048,282	4,497,038
EQUITY			
Reserves		4,000,000	-
Retained earnings		8,048,282	4,497,038
TOTAL EQUITY		12,048,282	4,497,038

The accompanying notes form part of these financial statements.

Statement of Changes in Equity for the year ended 30 June 2019

	Note	Retained earnings \$	Corpus reserve \$	Equity - acquisition reserve \$	Financial asset reserve \$	Total \$
Balance at 1 July 2018		4,497,038	-	-	-	4,497,038
Surplus of revenue over expenses		(22,253)	-	-	-	(22,253)
Acquisition reserve of Mary MacKillop Foundation		-	-	7,978,634	-	7,978,634
Corpus reserve - transfer from equity reserve		-	4,000,000	(4,000,000)	-	-
Financial assets reserve - transfer from equity reserve		-	-	(398,795)	398,795	-
Other comprehensive income		-	-	-	(405,137)	(405,137)
Total comprehensive income attributable to the entity		(22,253)	4,000,000	3,579,839	(6,342)	7,551,244
Balance at 30 June 2019		4,474,785	4,000,000	3,579,839	(6,342)	12,048,282
Balance at 1 July 2017		4,807,104	-	-	-	4,807,104
Surplus of revenue over expenses		(310,066)	-	-	-	(310,066)
Other comprehensive income		-	-	-	-	-
Total comprehensive loss attributable to the entity		(310,066)	-	-	-	(310,066)
Balance at 30 June 2018		4,497,038	-	-	-	4,497,038

The accompanying notes form part of these financial statements.

Statement of Cash Flows for the year ended 30 June 2019

	Note	2019 \$	2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipt from donors/grant providers		4,266,432	2,221,355
Payments to suppliers and employees		(4,510,380)	(2,577,482)
Cash balance transfer from MMF		3,135,651	-
Interest received		410,745	93,552
Net cash provided by/(used in) operating activities		<u>3,302,448</u>	<u>(262,575)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of investment		397,601	-
Purchase of property, plant and equipment		(81,556)	(21,794)
Payment for investments		(325,554)	-
Net cash used in investing activities		<u>(9,509)</u>	<u>(21,794)</u>
Net increase/(decrease) in cash and cash equivalents held		3,292,939	(284,369)
Cash and cash equivalents at beginning of year		4,364,469	4,648,838
Cash and cash equivalents at end of financial year	4	<u>7,657,408</u>	<u>4,364,469</u>

The accompanying notes form part of these financial statements.

Notes to the Financial Statements for the year ended 30 June 2019

The financial report covers Mary MacKillop Today (the 'Company') as an individual entity. Mary MacKillop Today is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Mary MacKillop Today is Australian dollars (\$).

The financial report was authorised for issue by the Directors on 26 September 2019.

1 Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB'), 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.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

2 Summary of Significant Accounting Policies

(a) Business combinations under common control - pooling of interest

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory.

The pooling of interests method has been adopted to account for the combination as a business combination carried out under common control. This means the assets and liabilities of the entity coming under common control have been transferred to the financial statements of the Company at book value without revaluation. There has been no consideration paid by the Company to acquire the entity therefore the value of the combined assets is represented as an entry directly to equity with no impact on the Statement of Profit or Loss and Other Comprehensive Income, and no goodwill is recognised.

(b) 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.

Notes to the Financial Statements for the year ended 30 June 2019

2 Summary of Significant Accounting Policies (continued)

(c) Revenue and other income

Revenue is recognised at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

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).

(d) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

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

Notes to the Financial Statements for the year ended 30 June 2019

2 Summary of Significant Accounting Policies (continued)

(e) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

(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 4, table of cash movement for designated purposes, required by the Australian Council for International Development (ACFID).

(g) Trade and other receivables

Accounts receivable and other debtors include amounts due from donors and any outstanding grant receipts. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

(h) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and is net of any rebates and discounts received. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

(i) Investment and other financial assets

Investments and other financial assets, other than investments in associates, are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Notes to the Financial Statements for the year ended 30 June 2019

2 Summary of Significant Accounting Policies (continued)

(i) Investment and other financial assets (continued)

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the Company intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

(j) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Buildings	4.8%
Office equipment	20% - 33%
Computer equipment	20% - 33%
Motor vehicles	8% - 13%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

(k) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

(l) Financial instruments

(i) Accounting policies applied from 1 July 2018

Classification

From 1 July 2018, the Company classifies its financial assets in the following measurement categories: those to be measured subsequently at fair value through OCI, and those to be measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

Notes to the Financial Statements for the year ended 30 June 2019

2 Summary of Significant Accounting Policies (continued)

(I) Financial instruments (continued)

For assets measured at fair value, gains and losses will be recorded in OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Impairment

From 1 July 2018, the Company assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Company applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(ii) Accounting policies applied until 30 June 2018

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 timeframe's 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.

Notes to the Financial Statements for the year ended 30 June 2019

2 Summary of Significant Accounting Policies (continued)

(I) Financial instruments (continued)

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.

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.

Notes to the Financial Statements for the year ended 30 June 2019

2 Summary of Significant Accounting Policies (continued)

(m) 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.

(n) Contract liabilities

Contract liabilities represent the Company's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Company has transferred the goods or services to the customer.

(o) Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. 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 national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(p) Foreign currency transactions and balances

Foreign currency transactions are recorded at the spot rate on the date of the transaction.

At the end of the reporting period:

- Foreign currency monetary items are translated using the closing rate;
- Non-monetary items that are measured at historical cost are translated using the exchange rate at the date of the transaction; and
- Non-monetary items that are measured at fair value are translated using the rate at the date when fair value was determined.

Notes to the Financial Statements for the year ended 30 June 2019

2 Summary of Significant Accounting Policies (continued)

(p) Foreign currency transactions and balances (continued)

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition or in prior reporting periods are recognised through profit or loss, except where they relate to an item of other comprehensive income or whether they are deferred in equity as qualifying hedges.

(q) Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

(r) Changes in accounting policies, disclosures, standards and interpretations

(i) New and amended standards and interpretations

The Company applied AASB 9 *Financial Instruments*, AASB 15 *Revenue from Contracts with Customers* and AASB 1058 *Income for NFP Entities* for the first time. The nature and effect of the changes as a result of adoption of the new accounting standards are described below.

AASB 9 Financial Instruments

AASB 9 replaces AASB 139 *Financial Instruments: Recognition and Measurement* for annual periods beginning on or after 1 July 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The Company has applied AASB 9 retrospectively, with an initial application date of 1 July 2018. The Company has not restated the comparative information, which continues to be reported under AASB 139. There was no significant impact on recognition or measurement in the statement of profit or loss and other comprehensive income, statement of financial position or the statement of cash flows as a result of the adoptions.

Notes to the Financial Statements for the year ended 30 June 2019

2 Summary of Significant Accounting Policies (continued)

(r) Changes in accounting policies, disclosures, standards and interpretations (continued)

AASB 15 Revenue from Contracts with Customers

The Company has adopted AASB 15 from 1 July 2018. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies below. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period. There was no significant impact on recognition or measurement in the statement of profit or loss and other comprehensive income, statement of financial position or the statement of cash flows as a result of the adoptions.

AASB 1058 Income for NFP Entities

AASB 1058 supersedes all the income recognition requirements relating to the entity, previously in AASB 1004 Contributions. The timing of income recognition depends on whether such transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service), or a contribution by owners, related to an asset (such as cash or another asset) received by an entity.

AASB 1058 applies when the entity receives volunteer services or enters into other transactions in which the consideration to acquire an asset is significantly less than the fair value of the asset, and where the entity's objective is principally to enable the asset to further the entity's objectives. There was no significant impact on recognition or measurement in the statement of profit or loss and other comprehensive income, statement of financial position or the statement of cash flows as a result of the adoptions.

(ii) Accounting standards and interpretations's issued but not yet effective

AASB 16 Leases

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The Company will adopt this standard from 1 July 2019 and management is yet to assess the potential impact on the financial statements.

Notes to the Financial Statements for the year ended 30 June 2019

3 Critical Accounting Estimates and Judgements

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

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.

Key estimates - employee benefits provision

As discussed in note 2, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Key estimates - fair value of investments

The Company is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

Notes to the Financial Statements for the year ended 30 June 2019

4 Cash and Cash Equivalents

	2019	2018
	\$	\$
Cash on hand	4,018	481
Cash at bank	7,653,390	4,363,988
	<u>7,657,408</u>	<u>4,364,469</u>

Table of cash movements for designated purpose for the year ended 30 June 2019

	Cash available	Cash raised	Cash disbursed	Cash available
	\$	\$	\$	\$
Designated purpose				
Timor-Leste	484,592	622,670	(1,107,262)	-
Ethica	(56,625)	221,485	(206,273)	(41,413)
First nation programs	-	3,208,895	(753,234)	2,455,661
Financial inclusion programs	-	940,110	(402,190)	537,920
Total for other non-designated	-	1,655,372	(1,016,664)	638,708
Total for international non-designated	3,936,502	1,164,296	(1,034,266)	4,066,532
	<u>4,364,469</u>	<u>7,812,828</u>	<u>(4,519,889)</u>	<u>7,657,408</u>

Due to the merger of Mary MacKillop Foundation Limited (MMF) on 1 July 2018 the Company has transferred the \$3,936,502 from other non-designated funds to international non-designated funds in the cash available as these funds were intended to be used for the Company's international programs.

5 Trade and Other Receivables

	2019	2018
	\$	\$
CURRENT		
Prepayments	23,736	-
Deposits	1,559	1,016
GST receivable	24,128	46,464
Other receivables	351,809	26,137
Total current trade and other receivables	<u>401,232</u>	<u>73,617</u>

6 Inventories

	2019	2018
	\$	\$
CURRENT		
Inventories	<u>73,493</u>	<u>73,889</u>

Notes to the Financial Statements for the year ended 30 June 2019

7 Other Assets

	2019	2018
	\$	\$
CURRENT		
Accrued interest	44,379	26,749

8 Property, plant and equipment

	2019	2018
	\$	\$
Buildings		
At cost	760,874	724,922
Accumulated depreciation	(223,264)	(190,188)
Total buildings	537,610	534,734
Motor vehicles		
At cost	174,514	70,556
Accumulated depreciation	(123,576)	(67,413)
Total motor vehicles	50,938	3,143
Office equipment		
At cost	18,901	98,642
Accumulated depreciation	(1,224)	(25,648)
Total office equipment	17,677	72,994
Computer equipment		
At cost	52,877	37,493
Accumulated depreciation	(36,702)	(21,940)
Total computer equipment	16,175	15,553
Total property, plant and equipment	622,400	626,424

9 Investments

	2019	2018
	\$	\$
NON-CURRENT		
Equities	2,242,853	-
Alternative Investment	262,468	-
Cash & Fixed Interest	1,491,189	-
	3,996,510	-

Notes to the Financial Statements for the year ended 30 June 2019

10 Trade and Other Payables

	2019	2018
	\$	\$
CURRENT		
Trade payables	17,791	3,415
Accruals	41,999	61,204
PAYG withholding	23,224	34,769
Other payables	123,419	83,708
	<u>206,433</u>	<u>183,096</u>
NON-CURRENT		
Other payables	<u>268,024</u>	<u>321,844</u>

11 Contract Liabilities

	2019	2018
	\$	\$
CURRENT		
Contract liabilities	<u>47,589</u>	<u>-</u>

12 Employee Benefits

	2019	2018
	\$	\$
CURRENT		
Employee benefits	<u>161,098</u>	<u>147,223</u>
NON-CURRENT		
Employee benefits	<u>63,996</u>	<u>15,947</u>

13 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.

14 Leasing Commitments

The Company did not have any leasing commitments as at 31 June 2019 or 30 June 2018.

Notes to the Financial Statements for the year ended 30 June 2019

15 Key Management Personnel Remuneration

The aggregate compensation made to directors and other members of key management personnel of the Company is set out below:

	2019	2018
	\$	\$
Aggregate compensation	743,329	516,398

16 Fair Value Measurement

Fair value hierarchy

AASB 13 *Fair Value Measurement* requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as follows:

Level 1	Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	Unobservable inputs for the asset or liability.

The table below shows the assigned level for each asset and liability held at fair value by the Company:

	Level 1	Level 2	Level 3	Total
30 June 2019	\$	\$	\$	\$
Investments	3,996,510	-	-	3,996,510
30 June 2018	\$	\$	\$	\$
Investments	-	-	-	-

Notes to the Financial Statements for the year ended 30 June 2019

17 Business Combinations

On 1 July 2018, the merger of Mary MacKillop International ("MMI") and Mary MacKillop Foundation ("MMF") occurred and Mary MacKillop International changed its name to Mary MacKillop Today ("MMT"). The merge of MMF into MMT occurred via a Deed of Transfer. This involved the assets and liabilities of both entities as at 1 July 2018. The net asset position of the transfer is treated as equity contribution in the books of MMT.

Details of the acquisition are as follows:

	2019
	\$
Cash and cash equivalents	1,735,551
Trade and other receivables	401,528
Other current assets	767,377
Other financial assets	5,449,005
Trade and other payables	(165,472)
Borrowings	(173,479)
Provisions	(35,876)
Net assets acquired	<u>7,978,634</u>
Acquisition-date fair value of the total consideration transferred	<u>7,978,634</u>
Representing:	
Equity - Acquisition Reserve	<u>7,978,634</u>

18 Related Parties

Key management personnel - refer to Note 15.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related party:

	2019	2018
	\$	\$
The Sisters of Saint Joseph of the Sacred Heart:		
Funding donation	1,100,000	1,100,000
RPA distribution	210,000	220,000

During the year the Company made payments totalling \$43,110 to the Sisters of St Joseph in relation to strata fees, property outgoings, insurance and stipends.

Notes to the Financial Statements for the year ended 30 June 2019

19 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2019 (30 June 2018: None).

20 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 2019 the number of members was 5.

21 Events after the end of the Reporting Period

Kirsty Robertson - former CEO of Mary MacKillop Today resigned from her position on 13 September 2019.

Other than the above, no matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

22 Company Information

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

Mary MacKillop Today
Level 5, 12 Mount Street
North Sydney NSW 2060


Directors' declaration

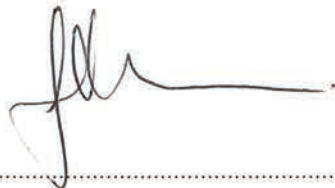
Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 9 to 28, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
 - b. give a true and fair view of the financial position as at 30 June 2019 and of the performance for the year ended on that date of the Company.
2. 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.


Director


Director

Dated 3rd October '19

RSM Australia Partners

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 Today Limited

Opinion

We have audited the financial report of Mary MacKillop Today ('the registered entity'), which comprises the statement of financial position as at 30 June 2019, 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 declaration by those charged with governance.

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 2019 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.

THE POWER OF BEING UNDERSTOOD

AUDIT | TAX | CONSULTING

RSM Australia Partners 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 Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation



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 that reads 'RSM'.


RSM AUSTRALIA PARTNERS

A handwritten signature in blue ink that appears to read 'C J Hume'.

C J HUME
Partner

Dated: 3 October 2019
Sydney, NSW





This is important: to get to know people, listen, expand the circle of ideas. The world is crisscrossed by roads that come closer together and move apart, but the important thing is that they lead towards the Good.”

Pope Francis

MARY MACKILLOP *today*

Level 5, 12 Mount St North Sydney 2060
Phone: 02 8912 2777
Email: hello@marymackilloptoday.org.au
ACN 159 091 737 | ABN 88 808 531 480

On 1st July 2018, Mary MacKillop International, the Mary MacKillop Foundation and the Josephite Foundation formed a single ministry, Mary MacKillop Today. Proudly continuing the works of the Sisters of Saint Joseph in the spirit of Mary MacKillop.

Please visit our website to read about Mary MacKillop Today:
www.marymackilloptoday.org.au