

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MISSION TO SEAFARERS VICTORIA INCORPORATED

Report on the Audit of the Financial Report

Qualified Opinion

We have audited the financial report, being a special purpose financial report of Mission to Seafarers Victoria Incorporated ('the Association'), which comprises the statement of financial position as at 31 December 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 ended, and notes to the financial statements, including a summary of significant accounting policies, and responsible person's declaration.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial report of Mission to Seafarers Victoria Incorporated. has been prepared in accordance with the *Associations Incorporation Reform Act 2012* and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- i. giving a true and fair view of the Association's financial position as at 31 December 2019 and of its financial performance for the year then ended; and
- ii. complying with Division 60 of the *Australian Charities and Not for profits Commission Regulation 2013*.

Basis for Qualified Opinion

As it is common with organisations of this type, it is difficult for the Association to maintain an effective system of internal control over certain cash transactions until their initial entry into the accounting records. Accordingly, our audit of the completeness of those cash transactions was limited to the amounts recorded.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described as in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Association in accordance with Division 60 of the *Australian Charities and Not for profits Commission Act 2012* and 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 for the purpose of fulfilling the Association financial reporting requirements of the *Australian Charities and Not for profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Board for the Financial Report

The Board is responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Australian Accounting Standards, the *Associations Incorporation Reform Act 2012* and Division 60 of the *Australian Charities and Not for profits Commission Act 2012*. The Board's responsibility also includes such internal control as it determines 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 Board is responsible for assessing the Association'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 the Board either intends to liquidate the Association or to cease operations, or have 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 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 the financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- Conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

LDAssurance
Chartered Accountants



Stephen O'Kane
Partner

Dated this 25th day of June 2020

SEAFARERS' WELFARE FUND

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDING 31 DECEMBER 2019

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SEAFARERS' WELFARE FUND

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDING 31 DECEMBER 2019**

	Note	2019	2018
		\$	\$
Revenue:			
Donations and bequests		165,866	175,386
Grants		4,612	39,100
Interest		66	258
		<u>170,544</u>	<u>214,744</u>
Expenses:			
Distributions to The Mission to Seafarers Victoria Incorporated		198,452	171,564
Bank fees		720	770
Other expenses		520	120
		<u>199,692</u>	<u>172,454</u>
Net surplus (loss) for the year		<u>(29,148)</u>	<u>42,290</u>

The statement of profit or loss and other comprehensive income is to be read in conjunction with the attached notes.

SEAFARERS' WELFARE FUND

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	38,634	67,082
Trade and other receivables		-	5,100
TOTAL CURRENT ASSETS		<u>38,634</u>	<u>72,182</u>
TOTAL ASSETS		<u>38,634</u>	<u>72,182</u>
LIABILITIES			
Other current liabilities		-	4,400
TOTAL LIABILITIES		<u>-</u>	<u>4,400</u>
NET ASSETS		<u>38,634</u>	<u>67,782</u>
EQUITY			
Accumulated funds		67,782	25,492
Net surplus (loss) for the year		(29,148)	42,290
TOTAL EQUITY		<u>38,634</u>	<u>67,782</u>

The statement of financial position is to be read in conjunction with the attached notes.

SEAFARERS' WELFARE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report and has been prepared to satisfy the requirements specified in the Trust Deed of the Seafarers' Welfare Fund ('the Trust'), the *Australian Charities and Not-For-Profit Commission Act 2012* and to assist with the preparation of the Trust's return to Consumer Affairs and reporting to ACNC. The trustees have determined that the Trust is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the following Australian Accounting Standards:

AASB 101:	Presentation of Financial Statements
AASB 107:	Statement of Cash Flows
AASB 108:	Accounting Policies, Changes in Accounting Estimates and Errors
AASB 1048:	Interpretation of Standards
AASB 1054:	Australian Additional Disclosure

No other applicable Accounting Standards or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The report is also prepared on an accruals basis and is based on historic costs and except where stated does not consider changing money values or current valuations of non-current assets.

The following specific accounting policies have been adopted in the preparation of this financial report.

Revenue recognition

Donations and bequests

Donations and bequests are recognised when received.

Grants

Grants are recognised as revenue when the fund gains control, economic benefits are probable and the amount can be reliably measured.

Expenditure

Distributions to The Mission to Seafarers Victoria Incorporated are recognised when paid.

SEAFARER'S WELFARE FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 DECEMBER 2019**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax

The financial statements do not include a provision for income tax as the Trust is exempt from income tax under current legislation.

Net fair value of financial assets and liabilities

The net fair value of a financial asset or a financial liability is the amount at which the asset could be exchanged, or liability settled, in a current transaction between willing parties.

Cash assets

Cash, short term deposits and bank overdrafts are carried at face value of the amounts deposited or drawn. The carrying amounts of cash, short term deposits or bank overdrafts approximate net fair value.

Receivables

Receivables comprise amounts due from Grants

	2019	2018
	\$	\$
2. CASH AND CASH EQUIVALENTS		
Cash at bank	31,462	25,568
Term deposits	-	40,000
Cash in hand	7,172	2,518
	<u>38,634</u>	<u>68,086</u>

SEAFARERS' WELFARE FUND

**TRUSTEES' DECLARATION
FOR THE YEAR ENDING 31 DECEMBER 2019**

In the opinion of the Trustees:

1. The financial statements and notes set out on pages 1 to 5 are in accordance with the *Australian Charities and Not-For-Profit Commission Act 2012*, including:
 - (a) complying with the *Australian Charities and Not-For-Profit Commission Act 2012* and other mandatory professional reporting requirements, and
 - (b) give a true and fair view of Seafarers' Welfare Fund's financial position as at 31 December 2019 and of its performance for the financial year ended on that date, and
2. There are reasonable grounds to believe that Seafarers' Welfare Fund 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 Trustees:



Neil Edwards AM
Trustee



Ian Scott
Trustee

Trustees are members of the Board of Management of The Mission to Seafarers Victoria Incorporated.

Melbourne

Dated this 18th day of June 2020

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF SEAFARER'S WELFARE FUND

Report on the Audit of the Financial Report

Opinion

We have audited the financial report, being a special purpose financial report of Seafarer's Welfare Fund, which comprises the statement of financial position as at 31 December 2019, the statement of profit or loss and other comprehensive income, and notes to the financial statements, including a summary of significant accounting policies, and trustees' declaration.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial report of Seafarer's Welfare Fund has been prepared in accordance with the trust deed and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- i. giving a true and fair view of the fund's financial position as at 31 December 2019 and of its financial performance for the year then ended; and
- ii. complying with Division 60 of the *Australian Charities and Not for profits Commission Regulation 2013*

Basis for Qualified Opinion

Proceeds from appeals, gifts and donations are a source of revenue for the fund. The fund has determined that it is impracticable to establish control over the collection of proceeds from appeals and donations prior to entry into its financial records. Accordingly, as the evidence available to us regarding revenue from these sources was limited, our audit procedures with respect to proceeds from appeals and donations have to be restricted to the amounts recorded in the financial records. We therefore are unable to express an opinion whether proceeds of appeals and donations the fund obtained are complete.

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 Fund in accordance with Division 60 of the *Australian Charities and Not for profits Commission Act 2012* and 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 for the purpose of fulfilling the Trustees' financial reporting responsibilities under the trust deed. As a result, the financial report may not be suitable for another purpose.

Responsibilities of the Trustee for the Financial Report

The Trustees is responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the trust deed and Division 60 of the *Australian Charities and Not for profits Commission Act 2012*. The Trustees' responsibility also includes such internal control as it determines 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 Trustees' is responsible for assessing the Fund'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 the Trustee either intends to liquidate the Fund or to cease operations, or have 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 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 the financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation

We communicate with the Trustee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

LDAssurance
Chartered Accountants



Stephen O'Kane
Partner

Dated this 25th day of June 2020

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF SEAFARER'S WELFARE FUND

Report on the Audit of the Financial Report

Opinion

We have audited the financial report, being a special purpose financial report of Seafarer's Welfare Fund, which comprises the statement of financial position as at 31 December 2019, the statement of profit or loss and other comprehensive income, and notes to the financial statements, including a summary of significant accounting policies, and trustees' declaration.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial report of Seafarer's Welfare Fund has been prepared in accordance with the trust deed and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- i. giving a true and fair view of the fund's financial position as at 31 December 2019 and of its financial performance for the year then ended; and
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Basis for Qualified Opinion

Proceeds from appeals, gifts and donations are a source of revenue for the fund. The fund has determined that it is impracticable to establish control over the collection of proceeds from appeals and donations prior to entry into its financial records. Accordingly, as the evidence available to us regarding revenue from these sources was limited, our audit procedures with respect to proceeds from appeals and donations have to be restricted to the amounts recorded in the financial records. We therefore are unable to express an opinion whether proceeds of appeals and donations the fund obtained are complete.

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Emphasis of Matter - Basis of accounting

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Responsibilities of the Trustee for the Financial Report

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In preparing the financial report, the Trustees' is responsible for assessing the Fund'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 the Trustee either intends to liquidate the Fund or to cease operations, or have 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 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 the financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
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- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation

We communicate with the Trustee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

LDAssurance
Chartered Accountants



Stephen O'Kane
Partner

Dated this 25th day of June 2020

***The Mission to
Seafarers
Victoria
Incorporated***

ABN: 18 630 990 996

*Financial Report for the year ended
31 December 2019*

THE MISSION TO SEAFARERS VICTORIA INCORPORATED

**FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**THE MISSION TO SEAFARERS VICTORIA INCORPORATED
BOARD OF MANAGEMENT'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

The Board of Management of the Mission to Seafarers Victoria Inc ('the Mission') submits the financial report of the association for the financial year ended 31 December 2019, and the auditor's report thereon.

The members of the Board of Management in office for the financial year, including their dates of appointment and resignation, if not in office for the full year, were:

Name	Date of Appointment or Resignation
Neil Edwards AM (Chairman)	
Nigel Porteous OAM (Vice Chairman)	
Ian Scott (Treasurer)	
Gordon McMillan	Appointed 21 May 2019
Ian Fletcher	
Bronwyn Williams	Appointed 8 October 2019
Sarah Jane Walsh	Appointed 6 August 2019
Revd. John Sanderson	Appointed 11 June 2019
Alan Knott	Resigned 21 May 2019
Maxwell Hall	Resigned 21 May 2019
Walter Dewe	Resigned 19 September 2019
Bilal Khan	Resigned 28 February 2019
Revd. Yvonne Poon	Resigned 11 June 2019

Principal Activity

The principal activity of the Mission during the financial year was to provide welfare services to seafarers through the provision of the following onshore facilities: pastoral care for the general wellbeing of seafarers (mainly through the ship visiting program); transportation between the ship and the Mission's Flying Angel Club; support for seafarers who remain in Melbourne as a result of injury or illness; access to communications, local information and referrals, personal supplies; and provision of rest facilities to seafarers when on layovers.

Results

The net result for the financial year, before other comprehensive items, is a loss of \$123,193 (restated 2018: loss of \$61,525).

The loss for the financial year is attributable to a temporary decline in operating revenue as a result of the partial closure of the premises occupied by the Mission at 717 Flinders Street during planned building works undertaken by the owner, the State of Victoria, and to an additional depreciation charge, as a result of a review of the estimated useful lives of the Mission's leasehold improvement assets undertaken during the year.

During the year, the Board of Management was also advised that the State of Victoria was reviewing its future intentions for the premises at 717 Flinders Street. As a result, the Board reassessed the likely future economic benefit to be generated by previously capitalised items relating to the premises. This review resulted in a prior period correction and restatements of the previously reported result for the year ended 31 December 2018 and of the statement of financial position at that date. Further information is provided in Note 18 to the financial statements.

Events Subsequent to Balance Date

Since the end of the financial year, the outbreak of COVID-19 has occurred, and this is expected to have an impact on the operations of the Mission in the current financial year. The extent of this impact cannot yet be determined.

**THE MISSION TO SEAFARERS VICTORIA INCORPORATED
BOARD OF MANAGEMENT'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

Indemnification of officers

As required under the Associations Incorporation Reform Act 2012, and other than otherwise precluded by law, the Mission has indemnified each of its officer holders, including the members of the Board of Management, against any liability incurred in good faith by the office holder in the course of performing his or her duties as an office holder.

Likely Developments

The Mission expects to continue to provide welfare services to seafarers.

Benefits

During or since the financial year, no member of the Board of Management has received, or become entitled to receive, a benefit because of a contract that they, or a firm of which they are a member or an entity in which they had a substantial financial interest, made with the Mission, or an entity that the Mission controlled, that was related to the Mission, when the contract was made or when the member received, or became entitled to receive the benefit, other than as disclosed in Note 11 of the financial statements.

Signed in accordance with a resolution of the Board of Management

On behalf of the Board of Management



Neil Edwards AM
Chairman
16 June 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MISSION TO SEAFARERS VICTORIA INCORPORATED

Report on the Audit of the Financial Report

Qualified Opinion

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Basis for Qualified Opinion

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LDAssurance
Chartered Accountants



Stephen O'Kane
Partner

Dated this 25th day of June 2020

THE MISSION TO SEAFARERS VICTORIA INCORPORATED

**STATEMENT BY THE BOARD OF MANAGEMENT
FOR THE YEAR ENDED 31 DECEMBER 2019**

In the Board of Management's opinion:

1. The financial statements and notes set out on pages 6 to 19 are in accordance with the *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not-For-Profit Commission Act 2012*, including:
 - (a) complying with Accounting Standards, the *Associations Incorporation Reform Act 2012* the *Australian Charities and Not-For-Profit Commission Act 2012* and other mandatory professional reporting requirements, and
 - (b) give a true and fair view of Mission to Seafarers Victoria Incorporated's financial position as at 31 December 2019 and of its performance for the financial year ended on that date, and
2. There are reasonable grounds to believe that Mission to Seafarers Victoria Incorporated will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Management

On behalf of the Board of Management



Neil Edwards AM
Chairman
18 June 2020



Ian Scott
Treasurer
18 June 2020

THE MISSION TO SEAFARERS VICTORIA INCORPORATED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019

	NOTE	2019 \$	2018 \$ Restated
REVENUES FROM ORDINARY ACTIVITIES			
Operating revenue	2	648,348	662,188
Other revenue	2	<u>127,452</u>	<u>122,123</u>
TOTAL REVENUES FROM ORDINARY ACTIVITIES		<u>775,800</u>	<u>784,311</u>
EXPENSES FROM ORDINARY ACTIVITIES			
Cost of goods sold		(81,894)	(101,147)
Administration		(228,594)	(241,265)
Depreciation	7	(124,598)	(41,668)
Employee benefits		(369,709)	(313,721)
Fundraising and development		(53,021)	(61,485)
Property management and maintenance		(39,631)	(84,548)
Other		(1,546)	(2,002)
TOTAL EXPENSES FROM ORDINARY ACTIVITIES		<u>(898,993)</u>	<u>(845,836)</u>
NET RESULT	18	<u>(123,193)</u>	<u>(61,525)</u>
Other comprehensive Income			
Net (loss)/gain on revaluation of available for sale financial assets		<u>46,982</u>	<u>(115,752)</u>
NET COMPREHENSIVE RESULT		<u><u>(76,211)</u></u>	<u><u>(177,277)</u></u>

The statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes

THE MISSION TO SEAFARERS VICTORIA INCORPORATED

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019**

	NOTE	2019 \$	2018 \$ Restated
CURRENT ASSETS			
Cash and cash equivalents	3	100,696	161,876
Receivables	5	74,752	52,135
Inventories	6	29,416	14,110
TOTAL CURRENT ASSETS		<u>204,864</u>	<u>228,121</u>
NON-CURRENT ASSETS			
Other financial assets	4	670,689	623,707
Property, plant and equipment	7	53,987	148,529
TOTAL NON-CURRENT ASSETS		<u>724,676</u>	<u>772,236</u>
TOTAL ASSETS		<u>929,540</u>	<u>1,000,357</u>
CURRENT LIABILITIES			
Payables	8	76,242	70,622
Income received in advance		2,960	10,000
Provisions	9	23,214	22,097
TOTAL CURRENT LIABILITIES		<u>102,416</u>	<u>102,720</u>
NON-CURRENT LIABILITIES			
Provisions	9	19,456	13,758
TOTAL NON-CURRENT LIABILITIES		<u>19,456</u>	<u>13,758</u>
TOTAL LIABILITIES		<u>121,872</u>	<u>116,478</u>
NET ASSETS		<u>807,668</u>	<u>883,879</u>
ASSOCIATION'S FUNDS			
Available for sale revaluation reserve		(33,903)	(80,885)
Accumulated surplus		841,571	964,764
TOTAL ASSOCIATION'S FUNDS		<u>807,668</u>	<u>883,879</u>

The statement of financial position is to be read in conjunction with
the accompanying notes

THE MISSION TO SEAFARERS VICTORIA INCORPORATED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	NOTE	ACCUMULATED SURPLUS	AVAILABLE- FOR-SALE REVALUATION RESERVE	TOTAL
AT 1 JANUARY 2019		964,764	(80,885)	883,879
Result from ordinary activities		(123,193)	-	(123,193)
Other comprehensive income		-	46,982	46,982
AT 31 DECEMBER 2019		841,571	(33,903)	807,668
AT 1 JANUARY 2018		1,230,989	34,867	1,265,856
Prior period correction	18	(204,700)	-	(204,700)
RESTATED BALANCE AT 1 JANUARY 2018		1,026,289	34,867	1,061,156
Result from ordinary activities, restated		(61,525)	-	(61,525)
Other comprehensive income		-	(115,752)	(115,752)
AT 31 DECEMBER 2018		964,764	(80,885)	883,879

The statement of changes in equity is to be read in conjunction with
the accompanying notes

THE MISSION TO SEAFARERS VICTORIA INCORPORATED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019**

	NOTE	2019 \$	2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		777,936	812,980
Payments to suppliers and employees		(810,930)	(829,034)
Interest received		1,870	1,883
		<u>1,870</u>	<u>1,883</u>
Net cash provided by/(used in) operating activities	10 (ii)	<u>(31,124)</u>	<u>(14,171)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(30,056)	2,303
Net cash provided by/(used in) financing activities		<u>(30,056)</u>	<u>2,293</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from/repayments of borrowing		-	-
Net cash provided by financing activities		<u>-</u>	<u>-</u>
Net (decrease)/ increase in cash held		(61,180)	(11,868)
Cash at the beginning of period		<u>161,876</u>	<u>173,744</u>
Cash at the end of the period	10 (i)	<u><u>100,696</u></u>	<u><u>161,876</u></u>

The statement of cash flows is to be read in conjunction with
the accompanying notes

THE MISSION TO SEAFARERS VICTORIA INCORPORATED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019****1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES****(a) Corporate information**

The Mission to Seafarers Victoria Incorporated ('the Mission' or 'the entity') is an association incorporated in Victoria under the *Associations Incorporation Reform Act 2012*. The financial report covers the Mission as an individual entity.

(b) Basis of Preparation

The financial report is a special purpose financial report that has been prepared in accordance with Australian Accounting Standards, the *Associations Incorporation Reform Act 2012*, the *Australian Charities and Not-For-Profit Commission Act 2012* and other authoritative pronouncements of the Australian Accounting Standards Boards.

The financial report has been prepared under the requirements of the following Australian Accounting Standards:

AASB 101:	Presentation of Financial Statements
AASB 107:	Statement of Cash Flows
AASB 108:	Accounting Policies, Changes in Accounting Estimates and Errors
AASB 1048:	Interpretation of Standards
AASB 1054:	Australian Additional Disclosure

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

(c) Critical accounting estimates and judgments

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make estimates, judgements and assumptions based on historical knowledge and best available current trends and economic data, obtained both externally and within the entity. Actual results may differ from these estimates.

The accounting policies detailed in Note 1 provide details of these estimates, judgements, and assumptions.

THE MISSION TO SEAFARERS VICTORIA INCORPORATED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Property, Plant and Equipment

Each class of property, plant and equipment is carried at a cost or Board of Management valuation, less any accumulated depreciation and impairment losses.

Depreciation

The depreciable amounts of all property, plant and equipment are depreciated on straight line basis over their estimated useful lives to the entity commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are as follows.

Class of Asset	Depreciation Rates
Leasehold improvements	Shorter of remaining lease term and estimated useful life.
Furniture and equipment	5-10%
Motor vehicles	15%

The assets' residual values and estimated useful lives are reviewed and adjusted if appropriate, at each balance sheet date.

(e) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in values.

(f) Impairment of Assets

At each reporting date, the entity reviews the carrying values of its 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. In assessing value in use, the estimated future cash flows are discounted to their present value of money and the risks specific to the asset.

Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

Where the asset does not generate cash flows that are independent from other assets, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

THE MISSION TO SEAFARERS VICTORIA INCORPORATED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019****1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)****(g) Inventories**

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business.

(h) Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the entity becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial Assets

All the entity's financial assets are classified as available-for-sale financial assets and comprise listed securities.

All available-for-sale financial assets are measured at fair value, with subsequent changes in value recognised in other comprehensive items. Any unrealised market value is recognised in the available-for-sale revaluation reserve in the statement of financial position.

Gains and losses arising from the sale of available-for-sale financial assets are only recognised in profit or loss when they are sold or when the investment is impaired. In the case of impairment or sale, any gain or loss previously recognised in the available-for-sale revaluation reserve is transferred to the statement of profit or loss and other comprehensive income.

All other income and expenses relating to these financial assets are recognised in the statement of profit or loss and other comprehensive income as earned or incurred (see also Note 1(l)).

THE MISSION TO SEAFARERS VICTORIA INCORPORATED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Payables

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Mission prior to the end of the financial year that are unpaid at the balance sheet date.

(j) Employee Benefits

Wages, salaries and annual leave

Liabilities for wages, salaries and annual leave that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided to the reporting date. They are calculated at undiscounted amounts based on remuneration wage and salary rates that the Mission expects to pay as at reporting date including related on-costs, such as workers' compensation insurance and payroll tax.

Long-term service benefits

The Mission's net obligation in respect of long-term service benefits, other than pension plans, is the amount of future benefit that employees have earned in return for their service in current and prior periods. The obligation is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates and is discounted using the rates attached to Commonwealth Government's bonds at the balance sheet date which have maturity dates approximating the terms of the Mission's obligations.

Superannuation

The amount charged to the statement of profit or loss and other comprehensive income in respect of superannuation represents the contributions made by the Mission to employees' superannuation funds.

(k) Income Tax

The Mission is a registered charity and is exempt from Income Tax.

(l) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Mission and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods and services and events

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Risks and rewards of ownership are considered passed to the buyer at the time of delivery of goods to the customer.

Revenue from the sale of services and events is recognised upon the delivery of the service to the customer and when all relevant contractual obligations have been met. Deposits related to venue hire activities are carried on the balance sheet until the event has occurred and subsequently recognised as revenue.

THE MISSION TO SEAFARERS VICTORIA INCORPORATED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Revenue (continued)

Donations and bequests

Donations and bequests are recognised when received.

Grants and sponsorships

Grants and sponsorships are recognised as revenue when received unless the grant agreement is enforceable and contains sufficiently specific performance obligations (AASB 15: *Revenue from contracts with customers*).

Interest

Interest revenue is recognised on a proportional basis considering the interest rates applicable to the financial assets.

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

(m) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the balance sheet are shown inclusive of GST.

(n) Changes in Accounting Standards

The Mission has adopted all the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Impact of adoption

AASB 15, AASB 16 (Revenue from contract with customers, Leases) and AASB 1058 (Income of not for profit entities) were adopted using the modified retrospective approach and as such comparatives have not been restated. There was no impact on opening retained profits as at 1 January 2019.

THE MISSION TO SEAFARERS VICTORIA INCORPORATED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 \$	2018 \$
2. REVENUE			
Operating revenue			
Donations – Seafarers’ Welfare Fund	(a)	198,451	171,564
Sales of goods and services		162,082	186,458
Events		138,196	203,046
Grants and sponsorships		87,426	67,442
Foreign currency fees		61,097	33,678
Membership		1,095	-
		648,347	662,188
Other revenue			
Dividends		57,677	60,122
Rent		41,061	30,093
Sundry		14,345	2,418
Donations and bequests		12,499	23,631
Interest		1,870	5,859
		127,452	122,123
(a) The Seafarers’ Welfare Fund was established during 1999 for the relief of seafarers and is registered as a charitable fund which can receive tax deductible donations. The Mission (in its capacity as trustee of the Seafarers’ Welfare fund) resolved to transfer amounts totalling \$198,451 as donations to the Mission in the year ended 31 December 2019.			
3. CASH AND CASH EQUIVALENTS			
Cash on hand		26,513	21,717
Cash at bank		33,069	49,107
Term deposits		41,114	91,052
		100,696	161,876
4. OTHER FINANCIAL ASSETS			
Available-for-sale financial assets comprise:			
Shares – at market value		670,679	623,697
Shares in Hastings Seafarers’ Centre		10	10
		670,689	623,707
5. RECEIVABLES			
Current			
Trade debtors	(a)	54,758	24,930
Provision for doubtful debts		(710)	(710)
		54,048	24,220
Other receivables:			
Prepayments		4,840	9,566
Franking credits		12,234	14,913
Other receivables		3,630	3,436
		20,704	27,915
		74,752	52,135
(a) The Melbourne Seafarers Centre Inc (MSC) was established in 2019 to consolidate seafarer services and the Mission is one of the three founding members of MSC. Receivables include \$32,052 due from MSC for payments made on its behalf by the Mission.			
6. INVENTORIES			
Phone cards		10,566	6,346
Merchandise and bar stocks		18,850	7,764
		29,416	14,110

THE MISSION TO SEAFARERS VICTORIA INCORPORATED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

	2019	2018
	\$	\$
		Restated
7. PROPERTY, PLANT AND EQUIPMENT		
Leasehold improvements – at cost	152,880	152,880
Accumulated depreciation	<u>(152,880)</u>	<u>(70,718)</u>
	<u>-</u>	<u>82,162</u>
Furniture and equipment – at cost	444,500	414,444
Accumulated depreciation	<u>(403,934)</u>	<u>(364,660)</u>
	<u>40,566</u>	<u>49,784</u>
Motor vehicles – at cost	55,404	55,404
Accumulated depreciation	<u>(41,984)</u>	<u>(38,821)</u>
	<u>13,420</u>	<u>16,583</u>
	<u>53,986</u>	<u>148,529</u>

Reconciliation of the carrying amount

	Leasehold improvements	Furniture and Equipment	Motor Vehicles	Total
	\$	\$	\$	\$
Balance at beginning (restated)	82,162	49,784	16,583	148,529
Net additions/(disposals)	-	30,056	-	30,056
Transfers	-	-	-	-
Depreciation expense	<u>(82,162)</u>	<u>(39,273)</u>	<u>(3,163)</u>	<u>(124,598)</u>
Balance at end	<u>-</u>	<u>40,567</u>	<u>13,420</u>	<u>53,987</u>

THE MISSION TO SEAFARERS VICTORIA INCORPORATED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

	2019	2018
	\$	\$
8. PAYABLES		
Current		
Trade creditors	53,381	36,089
Accrued expenses	9,020	13,866
Other payables	13,841	20,667
	<u>76,242</u>	<u>70,622</u>
9. PROVISIONS		
Current		
Employee benefits – annual leave	23,214	22,097
Non-Current		
Employee benefits – long service leave	19,456	13,758
	<u>42,670</u>	<u>38,855</u>
10. NOTES TO THE CASH FLOW STATEMENT		
(i) Reconciliation of cash		
For the purposes of the cash flow statement, cash includes cash on hand and short-term deposits with banks or financial institutions.		
Cash at the end of the financial year as shown in the Cash flow statement is reconciled to the related items in the balance sheet as follows:		
Cash on hand	26,513	21,717
Cash at bank	33,069	49,107
Term deposits	41,114	91,052
	<u>100,696</u>	<u>161,876</u>
(ii) Reconciliation of operating result to net cash provided by/(used in) operating activities		
Operating (deficit)/surplus	(123,193)	(61,525)
<i>Add/(Less) non-cash items</i>		
Depreciation	124,598	41,668
Loss on disposal of shares		
Net cash used in operating activities before change in assets and liabilities	<u>1,405</u>	<u>(19,857)</u>
<i>Changes in assets and liabilities:</i>		
(Increase)/decrease in receivables	(22,617)	(20,043)
(Increase)/decrease in inventories	(15,306)	(4,678)
Increase/(decrease) in payables	8,579	9,680
Increase/(decrease) in income in advance	(10,000)	9,927
Increase/(decrease) in employee benefits	6,815	10,800
Net cash provided by operating activities	<u>(31,124)</u>	<u>(14,171)</u>

THE MISSION TO SEAFARERS VICTORIA INCORPORATED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

11. RELATED PARTY TRANSACTIONS

The entity's related parties comprise its key management personnel and the following related entities:

- Seafarers' Welfare Fund
- Mission to Seafarers Foundation
- Melbourne Seafarers Centre Inc

Other than disclosed in Note 2 (a) and Note 5 (a), there were no transactions with related entities during the year.

The key management personnel are the members of the Board of Management, the Chief Manager, and the Port Chaplain. The total remuneration to key management personnel during the year was \$156,750 (2018: \$145,352).

There were no other transactions with key management personnel, or parties related to them, during the year.

12. COMMITMENTS

There are no leasing or capital commitments as at 31 December 2019.

13. SEGMENT REPORTING

The association provides pastoral care through a centre at Melbourne.

14. AUDITOR'S REMUNERATION

	2019	2018
	\$	\$
Amounts paid or payable for the preparation and audit of financial statements.	9,000	9,000

15. ENTITY DETAILS

The principal place of business of the entity is 717 Flinders Street, Docklands, 3008.

THE MISSION TO SEAFARERS VICTORIA INCORPORATED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

16. TRUST LIABILITIES AND RIGHT OF INDEMNITY

The Mission acts as trustee of the Seafarers' Welfare Fund ('the Fund'). Liabilities incurred by the Fund are not recognised in the financial report of the Mission when it is not probable that the Mission will have to meet any of these liabilities from its own resources.

When it is probable that the Mission will have to meet some or all the liabilities of the Fund, a liability for the deficiency in trust right of indemnity is brought to account. Details of the trust liabilities, the offsetting right of indemnity, and any deficiency in the right of indemnity as at 31 December 2019 and 31 December 2018 are disclosed below.

	2019	2018
	\$	\$
Liabilities of the Seafarers' Welfare Trust not recorded in the financial statements of the Mission were:		
Current Liabilities		
Trade and other payables	-	4,400
Total Liabilities	<u>-</u>	<u>4,400</u>
Rights of indemnity for liabilities incurred by the Mission on behalf of the Seafarers' Welfare Trust not recorded in the financial statements of the Mission were:	<u>-</u>	<u>-</u>

The assets of the trust, which lie behind the right of indemnity, are not directly available to meet any liabilities of the Mission acting in its own right. The assets of the trust were sufficient to discharge all liabilities of the trust at 31 December 2019.

17. EVENTS SUBSEQUENT TO BALANCE SHEET DATE

Since the end of the financial year, the outbreak of COVID-19 has occurred, and this is expected to have an impact on the business operations and cashflows of the entity in the current financial year. The extent of this impact cannot yet be determined.

18. PRIOR PERIOD CORRECTION

In previous years, the Mission incurred expenses, representing professional, consulting, and building improvement costs in connection with the potential redevelopment and improvement of the building it occupies. These were capitalised as property, plant and equipment, or as intangible assets, in the expectation that they would generate a future economic benefit to the Mission.

The Mission is now aware of potential changes in the State of Victoria's intentions for the building, including the terms and nature of the Mission's future leasehold interest, which is currently under negotiation. As a result, the future economic benefit arising from the property plant and equipment and intangible assets is subject to considerable uncertainty. Had this been known in previous years, these items would not have been capitalised. Accordingly, an adjustment has been made to the statement of profit or loss and other comprehensive income, and the statement of financial position, in the comparative period to reverse this capitalisation. The effect of this adjustment is \$204,700, and is disclosed in the statement of changes in equity.