



The Mission  
to Seafarers  
Victoria Inc.

# Annual Report 2022



# Contents

Image: Simon Burton

About the Mission to Seafarers Victoria	Page 3
Board and Committee Members	4
Chair's report	5
CEO's report	7
Sponsors, Partners, Donors & Grantors	9
Chaplain's report	10
Treasurer's report	12
Governance and Risk Committee report	13
Flying Angel Club Committee report	14
Vale Ian Fletcher	15
FINANCIAL REPORT - The Mission to Seafarers Victoria Inc.	16
Board of Management's report	18
Auditor's independence declaration	20
Statement of profit or loss and other comprehensive income	21
Statement of financial position	22
Statement of changes in equity	23
Statement of cash flows	24
Notes to the financial statements	25
Financial declaration for responsible persons	39
Independent auditor's report	40
FINANCIAL REPORT - Seafarers' Welfare Fund	43
Statement of profit or loss and other comprehensive income	44
Statement of financial position	45
Statement of changes in equity	46
Statement of cash flows	47
Notes to the financial statements	48
Responsible persons' declaration	53
Independent auditor's report	54



## OUR MISSION

The Mission to Seafarers Victoria cares for seafarers visiting Melbourne. These essential workers spend long months at sea away from their homes leaving them isolated and vulnerable. We provide spiritual, moral, mental, emotional support, practical resources, and connect seafarers to their loved ones and to the Melbourne community.

## VISION

Melbourne Mission provides safe harbour: a home away from home for the world's seafarers.

## CONTEXT

There are 1.5 million seafarers of all ranks, nationalities, and beliefs – 60,000 plus visit Melbourne every year. These essential workers, work in what is one of the world's most dangerous occupations. Seafarers face physical and emotional dangers. These can occur for various reasons including extreme weather conditions and isolation. Some of their employers take limited responsibility for their welfare. The Mission to Seafarers Victoria is part of a worldwide network established to promote the spiritual, emotional, and physical wellbeing of seafarers and port workers.

One of the earliest missions in the world, the Mission to Seafarers Victoria (MtSV) was established in 1857 and operates from a purpose-built heritage building located in Docklands. This building, now owned by the Victorian Government, is in some disrepair and the MtSV no longer holds a lease. The uncertainty of this tenancy has the potential to impact the MtSV's longterm sustainability and services.

We know that our mission matters and our services are vital to the wellbeing of seafarers.

## Board and Sub-Committee Members



### Board Members

John Lines AM	(Chair from 13 April 2022)
Neil Edwards AM	(Chair to 12 April 2022; retired 13 April 2022)
Rev'd. Canon John Sanderson	(Vice Chair)
Liz Grainger	(Treasurer)
Bronwyn Williams	
Phillip Cornish (leave of absence granted from 29 April 2022 to 19 Oct 2022; resumed as a member from 20 Oct 2022)	
The late Ian Fletcher	(deceased 25 Dec 2022)
Rachel Johnson	(retired 31 Dec 2022)
Andrew Maher	(appointed 17 Feb 2023)
Michael Moorhead	(appointed 22 Mar 2023)

### Non-voting members

Rev'd Onofre 'Inni' Punay	– Port Chaplain
Chief Executive Officer	– Neil James FCA (from Oct 2022)
	– Philip Cornish (from April to Oct 2022)
	– Sue Dight (to April 2022)

### Sub-Committee Members at May 2023

#### Finance and Business Sub-Committee –

Chair: Liz Grainger, John Lines AM, Michael Moorhead, Dr Bronwyn Williams  
In attendance: Neil James CEO, Cheka Samaranayake, Financial Controller

#### Governance and Risk Committee –

Chair: Dr. Bronwyn Williams, Rev'd Canon John Sanderson, Liz Grainger, Philip Cornish  
In attendance: Neil James CEO, Cheka Samaranayake, Financial Controller

#### Flying Angel Club –

Chair: Michael Moorhead, Max Hall, Tony Correll, Ajith Jayasuriya, John Winkett  
In attendance: Rev'd Onofre 'Inni' Punay, Neil James CEO (Since Oct 2022), Ben Schroeder, Rev'd Heidin Kunoo

## Chair's Report

I am pleased to report that by the end of 2022 the Mission to Seafarers Victoria (MtSV) was almost back to normal with seafarers from all over the world once again visiting the Mission and being able to interact at a personal level with our welfare team both on board ships and in our Centre.



2022 started with seafarers being unable to come ashore due to Covid restrictions both in Victoria and in other ports. As a result, many seafarers had been forced to spend months on board without a break of any sort from ship life. This forced restriction of movement had significant impact on the mental health of many seafarers. These restrictions have now been lifted and our team have once again been able to attend to the welfare of seafarers visiting Melbourne through our ship visiting program and by facilitating shore leave for them through our free shuttle bus service to and from the docks and the City. I can assure members and supporters that I have had personal affirmation from key maritime welfare partners such as AMSA, the ITF and the Maritime Union of the high regard that their staff have for our staff team, especially the chaplains who remain very active visiting ships.

The Board continues to focus the promotion of the spiritual, moral, mental, emotional, and physical wellbeing of seafarers and how we can continue to meet the needs of modern seafarers..

The Board sub-committee structure helps us maintain a strong focus on our welfare services as well as governance. This includes strong risk and financial management, using our limited funds as effectively as possible to deliver on our mission of providing welfare to seafarers, and ensuring our staff and volunteers are supported..

While we continue to make efforts to maximise the commercial benefits of the Mission building through welcoming the public to visit our bar and venue hire to various event organisers we still rely heavily on the support of the community and the shipping industry through donations and sponsorships to enable the MtSV to provide seafarers with the welfare support they deserve.

Work continues with the architects appointed by the Melbourne Seafarers Centre and Heritage Victoria. As previously reported, we continue to work to clarify with the Melbourne Seafarers Centre and the State Government the future of the building. It is not expected that there will be much movement on this project in the next six to twelve months.

I would like to take this opportunity to thank my fellow Board Members, noting the efforts of my Vice Chair Rev'd Canon John Sanderson to advance our welfare services, and the Chairs of the Finance and Business Sub-Committee, Liz Grainger, and the Governance and Risk Committee, Dr Bronwyn Williams. Philip Cornish kindly stepped off the Board and was Interim CEO whilst the recruitment process was underway and then re-joined the board. Rachel Johnson had to resign from the Board last December due to work commitments, but not before making an important contribution to our work program – especially through her leadership



of the review of salaries concluded during the year, membership of the Finance and Business Sub-Committee, and the insights into both strategic and operational matters that she brought to our discussions.

I am also delighted to welcome two new Board members being Andrew Maher and Michael Moorhead. Both bring exceptional skills and experience to the work of the Mission.

I must also acknowledge the exceptional contribution to the Mission over many years by the late Ian Fletcher, whom we lost so tragically at the end of last year, and I want again to pass on condolences to Ian's wife Ros and to all his family and friends. At the time of his passing, Ian had served on the Board for almost six years, before and during which time he also worked tirelessly as a volunteer on the Flying Angel Club and on Mission Heritage. Ian was much loved and greatly admired, and I commend to

your attention the eulogy delivered at his funeral by my predecessor Neil Edwards, the text of which is printed on page 15.

The key staff change at the Mission in 2022 was the appointment of Mr Neil James as CEO. Neil joined the Mission in October and is working closely with the Board to take the Mission forward.

It is also important to acknowledge the work of our volunteers who are key to the operation of the MtSV and give of themselves freely to provide for the welfare of seafarers. Our team of volunteers are supported by our staff. The Board recognised the efforts of both volunteers and our staff in continuing to meet the needs of seafarers.

I am pleased to present the 2022 annual report of the Mission to Seafarers Victoria to you.

John Lines AM



## CEO's Report

**It was my privilege to join the Mission to Seafarers Victoria as Chief Executive Officer in October 2022 and I was immediately impressed by the dedication of volunteers and staff to promote the spiritual, moral, mental, emotional, and physical wellbeing of all seafarers and port workers in Victoria.**



The work of the Mission to Seafarers Victoria continues to be critical for the welfare of seafarers. Our services in the Port of Melbourne have changed significantly since our early beginnings in 1857, responding to changes in the nature of shore leave and the ships on which seafarers arrive. No longer do seafarers have days of shore leave. They are lucky to have hours as ships are unloaded and loaded as quickly as possible. Ship turnarounds are often less than 24 hours and crew are required for docking, loading and unloading, inspections, repairs and restocking. Crew opportunity to take a break from ship life is getting ever shorter which makes it important that we maximise our impact on the welfare of seafarers that dock in Melbourne.

The current average shore leave for a seafarer in Melbourne is 4 to 6 hours with most seafarers looking for a quick change of scenery, a break from the 24/7 of ship life and time for some personal shopping. This break can have a significant impact on the happiness and wellbeing of a seafarer who has spent weeks at sea.

Each quarter the Mission to Seafarers, on a global basis, monitors the happiness of seafarers through the Seafarers Happiness

survey. The results of these surveys along with feedback from seafarers, volunteers and staff helps guide the development of our services so that we make sure what we do and provide remains relevant and will have the biggest impact on the wellbeing of seafarers visiting the Port of Melbourne. Critical to facilitating shore leave for seafarers are our shuttle bus services that operate 7 days a week free of charge bringing seafarers from the docks into the Mission to Seafarers building and taking them back to their ships when their shore leave is over. The Mission building provides seafarers easy access to shopping and the city. Critical to this service is our team of volunteer drivers - without their sacrifice of their own time we would struggle to provide this service which is highly valued by seafarers.

The use of free WIFI and computers at the Mission was once popular but is now rarely used by seafarers. This highlights the changing needs of seafarers who are now more interested in having their own connectivity on their mobile device. We have responded to this need by providing seafarers with SIM cards, both when they visit the centre and on our ship visits. Our team help them to connect to local

networks so they can contact family or download entertainment for the next leg of their journey.

Not all seafarers are able to go ashore due to rostering, tight turn-around times, ship maintenance or waiting on various inspections by port authorities. Our ship visiting program offers an outreach pastoral care service to seafarers, to check on their welfare and provide them with support. It also enables us to be proactive in checking on seafarers who may not have been granted shore leave and to ensure the ship is complying with the Maritime Labour Convention requirements. Our Chaplains play a critical role in our ship visiting program. Their chaplaincy skills are often able to draw out issues that seafarers may be having with personal issues or shipboard life generally. They provide personal counselling and at times will escalate ship issues to the appropriate authorities.

While our caring for seafarers and their needs has not changed the way we care and provide for them continues to evolve. What has not changed is our need for financial support through donations and sponsorships by individuals and industry and the tireless contribution of our volunteers.

I look forward to continuing to meet all our supporters and working with volunteers, our Board Members, and staff to continue to care for the welfare of all seafarers visiting Melbourne. I would also like to thank the Board for their support and encouragement and express my appreciation for all the efforts of both staff and volunteers.

Neil James  
Chief Executive Officer



## 2022 Sponsors, Partners, Donors & Grantors

The Mission to Seafarers Victoria acknowledges and thanks the following bodies:

### Major Sponsor



Port of Melbourne  
- Corporate Partner  
Mediterranean Shipping Company  
- Art Prize main sponsor 2022

### Award Sponsors



Port Philip Sea Pilots  
Gulf Agency Company  
Neville & Co Commercial Lawyers  
Victoria International Container Terminal

### Lead Partners



Viva Energy Australia  
Australian Maritime Safety Authority  
Riverlee

### Exhibition Donors



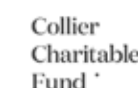
Australian Pilotage Group  
First Fleet Fellowship  
Offshore & Specialist Ships Australia

### Media Partners



Docklands News  
Art Guide Australia  
Daily Cargo News  
Maritime Industry Australia Ltd.

### Grants



Helen Macpherson Smith Trust  
- Funds towards operational expenses  
Australian Mariners Welfare Association  
- for the reimbursement of vehicle and wifi costs  
The Vera Moore Foundation  
The Collier Charitable Fund for supporting the Assistant Chaplain

and to all our other donors and other supporters for supporting the Mission during 2022.



# Chaplain's Report

## Back to a 'normal' life.

Slowly 2022 saw the restoration to 'normal' life after all the Covid restrictions of the prior two years were lifted and people were allowed to 'freely' travel around most parts of the world. On the 29th of April, I picked up the first seafarers here in Australia to come ashore for their official shore leave (not just for medical reasons or other exceptional circumstances). Mainland China was one of the last countries to abandon its Zero-Covid Policy which happened on the 7th of December 2022.

However, it took a long time for some shipping companies to lift their covid restriction protocols and once again to allow ship visiting and shore leave.

We continued to organise Covid vaccinations for the crew to facilitate them to be able to go ashore as some shipping companies required them to be fully vaccinated to be permitted to go on shore. We thank the staff members of our neighbouring Capsule Pharmacy who partnered with us to meet the needs of seafarers.

Here in the Mission, the capability to be able to go back to our pre-pandemic settings and services also suddenly became the challenge. We had lost a number of our volunteers during this time but have endeavoured to restore our 'normal' times of operations to accommodate shore leavers and do daily ship visiting with the help of a dedicated team of volunteers.



Sadly, 2022 had a trouble on its own which has directly and indirectly impacted many lives and continue to affect the world in general.

Here at the Mission, the conflict in the Ukraine came close as we interact with many Russian and Ukrainian seafarers on board ships. At the onset of the conflict, two crews suddenly found themselves stuck here in Melbourne and could not go back home to Ukraine. They were signed off a ship in the Port of Geelong and placed in a hotel here in Melbourne for their quarantine and to wait for their flight home to Ukraine. The Complex Assessment and Response Team (CART) Intervention COVID-19 Quarantine Victoria referred them to us to collaboratively look-after their well-being. We had interactions with them and their employer about their options. They eventually decided to take their flight to Romania as arranged by their employer.

We sent a daily news update about the war to some 40 ships who subscribed for this service. This was first requested by a few ships with Russian and Ukrainian seafarers on board who wanted to have information about the war that they did not have access to on board. We provided these updates until they eventually were able to sign off from those ships.

In 2022 we also saw the sad passing of some of our past and present colleagues. We are grateful for the contributions of the late Walter Dewé, the late Bishop Jeremy Ashton, and the late Ian Fletcher.

I would like to thank the Board and the Management for their support and guidance provided, specially towards Rev'd Haidin Kunoo and myself. I also thank all our volunteer drivers who have been critical in enabling seafarers to have shore leave.

Thanks be to God.

Rev'd Onofre Punay  
Chaplain



## Treasurer's Report 2022

Liz Grainger



**I am pleased to present my report for the financial year ended 31 December 2022. The audited financial statements for the year are provided at pages 16-55 of this Annual Report.**

As described in our Chair's Report, the year saw the full resumption of our services to seafarers and a continuing recovery in our commercial activities. Although this recovery was slower than planned in the first half of the year, the second half was stronger, and, encouragingly, this trend has continued into the opening months of 2023. Overall, our revenues in 2022 from the sale of goods and services (primarily generated by the bar, function hire, and the provision of foreign exchange services to seafarers) were 25% higher than the previous year.

Our other main sources of income comprise: philanthropic grants; donations and bequests; corporate sponsorship; and dividends and interest. All were less than planned in a challenging year compounded by the lack of continuity at management level which is essential to the generation and stewardship of this income. In the previous year, we received exceptional pandemic-related support, from State and Federal Governments and a substantial single bequest. Excluding these items, our income from these other main sources was 20% lower than the previous year.

We continued to manage our costs, which mainly relate to wages and salaries, closely during the year. Overall, expenditure increased in line with the growth in our activities. Additional one-off fees were incurred in respect of recruitment, and the final resolution of historic pay entitlements, an issue which was advised to the members last year. I am pleased to report that all liabilities relating to this matter have now been fully settled.

The result for the year is a deficit of \$265,000 (2021: surplus of \$569,000), which has been funded through reserves. For the reasons described above, this is higher than our planned deficit for the year. After accounting for an unrealised gain of \$107,000 on the carrying value of investments, the comprehensive deficit for the year is \$158,000 (2021: surplus of \$639,000).

The Mission remains in a sound financial position and has sufficient resources to meet its debts as they fall due. Cash holdings not required for short-term liquidity are invested in term deposits. Longer-term solvency

is provided by the Mission's access to its investments, currently held in listed Australian equities. The carrying value of these investments is 15% higher than at the previous year end, although this valuation clearly reflects the market at a particular point in time and is susceptible to variation.

Looking forward, we are confident that we are well-placed to grow our revenues and generate operating surpluses, after the challenges of the last few years. It will be essential to strengthen and deepen our relationships with key supporters and funders and this will be a primary focus of our new CEO who brings exceptional skills and experience to this task.

Under the oversight of the Finance and Business Sub-Committee, which I chair, the organisation has continued to invest in its financial systems and processes. These have become more efficient and effective during the year not least through a rationalisation of software tools deployed. I would like to recognise my Board colleagues who have served on this Committee during the year – John Lines, the late Ian Fletcher, Bronwyn Williams, and Rachel Johnson. I am grateful for their time and expertise, and look forward to Michael Moorhead, our newest recruit, providing similar value in 2023. I also acknowledge the work of the Mission's Financial Controller, Cheka Samaranayake, who kept a firm hand on the organisation's finances through a year of considerable change.

Included in this Annual Report (page 43) and for the information of members, are the financial statements of The Seafarers' Welfare Fund (the Fund) which is established for the relief of seafarers in necessitous circumstances and is registered as a charity which can receive tax deductible donations. The Fund also, from time to time, receives income from philanthropic grants and bequests. The total revenue for the year ended 31 December 2022 was \$19,500 (2020: \$15,500). The Mission, in its capacity as Trustee of the Fund, approved a distribution of \$45,000 to the Mission during the year to assist in the funding of chaplaincy costs.

## Governance and Risk Committee Report



**Dr Bronwyn Williams, Committee Chair**

The Governance and Risk Sub-Committee was established to assist the Board fulfil its statutory, fiduciary, and regulatory responsibilities. This includes providing assurance that the Association's governance framework is fit for purpose, and that the Association is managing risk systematically.

In 2022, the Committee oversaw the development of a new organisational risk register to identify, rate, and manage key risk scenarios with potential to impact on our objectives. The risk register is monitored and updated regularly to support a timely and appropriate response to emerging risks and changes in the likelihood or consequence of a risk being realised.

The Committee also continued to review key governance policies as part of its work program. Since early 2022 the Board has approved new or updated policies on Financial Management (through the Finance and Business Sub-Committee); Risk Management; Workplace Health, Safety and Wellbeing; Safe Ministry; and an overarching Policy Management Policy. Our forward work program includes review of policies on Ethics and Integrity, Human Resource Management, Information Management, Complaints Handling, and Asset Management.

Another major task was oversight of the MtSV application to the Australian Charities and Not-for-Profits Commission (ACNC) for the charity subtype Public Benevolent Institution (PBI) and based on that to receive endorsement as a deductible gift recipient (DGR) from the Australian Taxation Office. DGR endorsement means donors to MtSV could be eligible for tax deductions, which is expected to assist our fund raising.

MtSV obtained PBI status and DGR endorsement in February 2023, after an amendment to the Rules of Association required by the ACNC was approved by the Association's members. A wider review of the MtSV Rules of Association was deferred last year due to other priorities but will be undertaken in future, to ensure they remain current and are as simple and clear as possible.

The Committee looks forward to continuing to assist the Board in assuring a strong governance and risk management framework for the Association. My thanks to all who served on the Committee or supported it over the past year.





## Flying Angel Club (FAC) Committee Report

**Michael Moorhead**  
Chair Flying Angel Club

**Sadly, the former chair of the FACC, Mr Ian Fletcher passed away over Christmas 2022. He was a tireless representative of the Flying Angels Club in all matters relating to the MtSV and will be sadly missed. Mr Fletcher encapsulated all that is good and relevant in the Mission, he always had the Seafarers at heart, promoting their ‘spiritual, moral, mental, emotional and physical wellbeing’. Further to this, he and his wife, Ros, were also very involved in the heritage aspects of the Mission building and its archive.**

After several difficult years of covid restrictions, from April 2022 the full-service offer to seafarers recommenced. This included picking up/return to the various berths, the facilities of the Mission reopened, ship visiting and crew as well as land side stakeholder functions.

In January 2023, we had 824 seafarers visit the Mission from 161 ships that visited Melbourne which would indicate 20-25% of crews took advantage of our facility.

The current contingent of active volunteers include;

Drivers:	9
Hosts:	1
Cleaning/Garden:	3
Admin:	2
Board:	7

A special thank you to all these volunteers without whom the MtSV could not function. I look forward to an enjoyable and proactive 2023 where volunteer numbers will increase, adding greater service to the seafarers, heighten and continue positive interaction so far achieved with seafarers, fellow volunteers and the public.



## In Memoriam - Ian David Fletcher

**21 August 1940-25 December 2022**  
**Eulogy delivered by Neil Edwards**  
**10 January 2023, St. Peter’s Chapel,**  
**Mission to Seafarers Victoria**

“It is an honour to speak on behalf of Ian’s many friends and colleagues from among the volunteers, staff and Board of the Mission to Seafarers Victoria.

Ian is remembered with great admiration, and even greater fondness, by all of us. We are sad, and we express to Ros and to all of Ian’s family our deep condolences.

Some people are ever reliable, practical, and loyal; some people are astute, observant, and forward-looking; some are quietly, modestly, warm and caring; some are drily witty. Rarely are all these virtues mixed in one person, but we saw them all in Ian.

Ian was a volunteer (here) at the Mission for more years than he cared to remember. He clearly loved this place - though he was not a man to gush.

Ian brought to volunteering the experience and confidence of a man who had enjoyed a successful career. If a job needed doing, he noticed and he did it. He looked after visiting seafarers; he drove the buses; he protected the building fabric. If there was a practical task, he was up for it, and effective.

At the Board’s invitation, Ian joined us to represent the volunteers on the Board. We invited Ian because we saw his wisdom, and we saw his knowledge of the detail of the work of volunteers. Most of all, we saw his commitment. We were rewarded with more than we expected. As a Board colleague, Ian was exemplary. He served for nearly six years, and - cruel irony - in just a few months, he would have completed a maximum of

two terms as Board Member and he was well-ready to hand over to someone new.

As a Board Member, Ian was across the papers, of course, but more importantly, he knew what mattered. So, when he spoke at meetings, and he was probably the least voluble among us, we knew to listen. When Ian asked a question, it was always self-effacing but sharply posed, and it addressed a genuine issue with an eye to the practical. He’d begin: “I don’t know how we will...?” or “Do you think we could...?”.

I was especially grateful for Ian’s ability to cut through when I was Chair. Ian often sat at the opposite end of the Board table and would catch my eye with a twinkle in his, prick the balloon of my formality or digression, and with a wry chuckle, get us to move on.

And Ian would often phone me after a meeting, to alert me to a nuance I had missed, or to the discomfiture of another Board or staff member which I needed to address. He was a true colleague.

It would be wrong to speak of Ian’s enormous contribution without also saying that he was always respectful of Ros’ parallel contributions. He was rightly proud, and he brought her perspectives to the table when he and Ros thought that was needed.

Ian and Ros have been a Mission team. We are very fortunate to have had you both here, and we are thankful.



# Financial Reports to 31 December 2022

## The Mission to Seafarers Victoria Inc.

ABN 18 630 990 996

## Financial Report to 31 December 2022

### The Mission to Seafarers Victoria Inc. Contents 31 December 2022

Board of Management's report	2
Auditor's independence declaration	4
Statement of profit or loss and other comprehensive income	5
Statement of financial position	6
Statement of changes in equity	7
Statement of cash flows	8
Notes to the financial statements	9
Financial declaration for responsible persons	23
Independent auditor's report	24



**The Mission to Seafarers Victoria Inc.  
Board Of Management's Report  
31 December 2022**

The Board of Management of The Mission to Seafarers Victoria Inc. ("the Mission") presents its report together with the financial statements for the year ended 31 December 2022, and the Independent Audit Report thereon.

**Members of Board of Management**

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

John Lines AM (Chair from 13 April 2022)  
Neil Edwards AM (Chair to 12 April 2022; retired 13 April 2022)  
Revd. Canon John Sanderson (Vice Chair)  
Liz Grainger (Treasurer)  
Bronwyn Williams  
Phillip Cornish (leave of absence granted from 29 April 2022 to 19 Oct 2022; resumed as a member from 20 Oct 2022)  
The late Ian Fletcher (deceased 25 Dec 2022)  
Rachel Johnson (retired 31 Dec 2022)  
Andrew Maher (appointed 17 Feb 2023)  
Michael Moorhead (appointed 22 Mar 2023)

Non-voting Members of the Board of Management:

Neil James (CEO from 19 Oct 2022)  
Sue Dight (CEO to 29 April 2022)  
Phillip Cornish (Interim CEO from 29 April 2022 to 19 Oct 2022)  
Revd. Inni Punay (Port Chaplain)

All Members of the Board of Management have been in office since the start of the financial year to the date of this report unless otherwise stated.

**Principal activity**

The principal activity of the Mission during the financial year was to provide merchant seafarers with pastoral care, material aid, recreation facilities, and linkages to other health and human services to enhance their general wellbeing. These services are traditionally delivered in person either onshore, or onboard ship. Until COVID 19 restrictions were lifted in the early part of 2022, most of these services were, however, provided using online and similar channels. Since then, the Mission has been able to resume the delivery of in person services and has experienced a steady return to more usual levels of activity, including in its trading and related operations.

**Result for the year**

The result of the Mission for the financial year ended 31 December 2022 was a deficit of \$265,448 (2021: surplus of \$569,528).

Although revenues from trading activities showed some recovery in the year, as COVID-19 restrictions were relaxed, revenues from other sources were lower than in 2021. Notably, the previous year included a significant single bequest as well as various Government grants to compensate for the consequences of the COVID-19 restrictions on the Mission's operations.

After recognising an unrealised net gain of \$107,170 on investments measured at fair value through other comprehensive income (2021: \$69,413), the Mission incurred a total deficit of \$158,278 (2021: \$638,941 surplus).

Included in the result for the year is \$51,200 (2021: \$88,000) of revenue which is committed to funding projects which will take place in future periods. The Mission was not able to record such revenue as a contract liability at 31 December 2022 as the underlying funding agreements did not satisfy the sufficiently specific criteria of AASB 15 *Revenue from Contracts with Customers* (AASB 15).

**Significant changes in the state of affairs**

There were no significant changes in the Mission's state of affairs during the financial year.

**Events subsequent to the end of the reporting period**

Other than as described in Note 18 to the financial statements, there have been no events subsequent to the balance sheet date that would require disclosure in the financial statements or notes thereto.

**The Mission to Seafarers Victoria Inc.  
Board Of Management's Report  
31 December 2022**

**Environmental regulation**

The Mission is not subject to any significant environmental regulation.

**Dividends**

The Mission is prohibited, under its Constitution, from paying dividends.

**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.

The Mission has not provided any insurance for an auditor of the Mission or a related body corporate.

**Proceedings on behalf of the Mission**

No person has applied for leave of court to bring proceedings on behalf of the Mission or intervene in any proceedings to which the Mission is a party for the purpose of taking responsibility on behalf of the Mission for all or any part of those proceedings.

The Mission was not a party to any such proceedings during the year.

**Board of Management benefits**

No Member of the Board of Management has received or become entitled to receive during, or since, the financial year, a benefit because of a contract made by the Mission, controlled entity or related body corporate with a Board of Management Member, a firm which is controlled by a Member of the Board of Management or an entity in which a Member has a substantial financial interest except as disclosed in Note 19 to the financial statements.

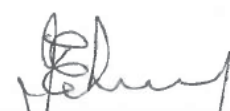
With effect from 29 April 2022 to 19 October 2022, Phillip Cornish, a Member of the Board of Management was granted leave from his voting membership of the Board to fulfil the role of the Mission's CEO, on an interim basis. Details of his remuneration are disclosed in the financial statements for the year ended 31 December 2022, as required.

**Non audit services**

The Board of Management is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Australian Charities and Not for Profits Commission Act 2012*. The Members of the Board of Management are satisfied that the services provided did not compromise the external auditor's independence.

The Board of Management's Report is signed in accordance with a resolution of the Board of Management.

On behalf of the Board of Management



John Lines  
Chair



Liz Grainger  
Treasurer

4 May 2023





Andrew Frewin Stewart  
61 Bull Street Bendigo VIC 3550  
afs@afsbendigo.com.au  
03 5443 0344

## Lead auditor's independence declaration under section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* to the Directors of The Mission to Seafarers Victoria Inc.

As lead auditor for the audit of The Mission to Seafarers Victoria Inc. for the year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit, and
- no contraventions of any applicable code of professional conduct in relation to the audit.

**Andrew Frewin Stewart**  
61 Bull Street, Bendigo Vic 3550  
Dated this 4<sup>th</sup> day of May 2023

**Joshua Griffin**  
Lead Auditor



afs@afsbendigo.com.au

Liability limited by a scheme approved under Professional Standards legislation. ABN: 65 684 604 390

## The Mission to Seafarers Victoria Inc. Statement Of Profit Or Loss And Other Comprehensive Income For the year ended 31 December 2022

	Note	2022 \$	2021 \$
Revenue from contracts with customers	3	541,421	433,403
Other sources of revenue	3	289,242	1,071,940
<b>Total revenue</b>		<b>830,663</b>	<b>1,505,343</b>
<b>Expenses</b>			
Cost of goods sold	4	(171,872)	(112,596)
Depreciation expense	4	(6,725)	(15,559)
Salaries and employee benefits expense		(627,950)	(616,633)
Administration and associated costs		(195,372)	(84,394)
Fundraising and development costs		(75,126)	(94,637)
Motor vehicle expenses		(18,812)	(7,338)
Other expenses		(254)	(4,658)
<b>Total expenses</b>		<b>(1,096,111)</b>	<b>(935,815)</b>
<b>Surplus/(deficit) for the year</b>		<b>(265,448)</b>	<b>569,528</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Unrealised net gain on financial assets at fair value through other comprehensive income		107,170	69,413
Other comprehensive income for the year		107,170	69,413
<b>Total comprehensive income for the year</b>		<b>(158,278)</b>	<b>638,941</b>

The above Statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes



**The Mission to Seafarers Victoria Inc.**  
**Statement Of Financial Position**  
**As at 31 December 2022**

	Note	2022 \$	2021 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	411,247	869,249
Trade and other receivables	6	20,310	7,829
Other current assets	7	75,909	126,525
Inventories	8	20,152	43,805
Total current assets		<u>527,618</u>	<u>1,047,408</u>
<b>Non-current assets</b>			
Investments	9	765,067	657,896
Property, plant and equipment	10	18,703	25,428
Total non-current assets		<u>783,770</u>	<u>683,324</u>
<b>Total assets</b>		<u>1,311,388</u>	<u>1,730,732</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	11	105,888	78,082
Contract liabilities	12	18,400	11,593
Employee benefits	13	95,368	74,991
Provisions	14	-	319,476
Total current liabilities		<u>219,656</u>	<u>484,142</u>
<b>Non-current liabilities</b>			
Employee benefits	13	7,512	4,092
Total non-current liabilities		<u>7,512</u>	<u>4,092</u>
<b>Total liabilities</b>		<u>227,168</u>	<u>488,234</u>
<b>Net assets</b>		<u>1,084,220</u>	<u>1,242,498</u>
<b>Equity</b>			
Financial asset fair value reserve		331,766	224,596
Retained earnings		<u>752,454</u>	<u>1,017,902</u>
<b>Total equity</b>		<u>1,084,220</u>	<u>1,242,498</u>

The above Statement of financial position should be read in conjunction with the accompanying notes

6

**The Mission to Seafarers Victoria Inc.**  
**Statement Of Changes In Equity**  
**For the year ended 31 December 2022**

	Financial asset fair value \$	Retained earnings \$	Total equity \$
Balance at 1 January 2021	(116,100)	719,657	603,557
Surplus for the year	-	569,528	569,528
Other comprehensive income for the year	<u>69,413</u>	<u>-</u>	<u>69,413</u>
Total comprehensive income for the year	69,413	569,528	638,941
Transfer (from)/to financial asset fair value reserve (*)	<u>271,283</u>	<u>(271,283)</u>	<u>-</u>
Balance at 31 December 2021	<u>224,596</u>	<u>1,017,902</u>	<u>1,242,498</u>
	<b>Financial asset fair value \$</b>	<b>Retained earnings \$</b>	<b>Total equity \$</b>
Balance at 1 January 2022	224,596	1,017,902	1,242,498
Deficit for the year	-	(265,448)	(265,448)
Other comprehensive income for the year	<u>107,170</u>	<u>-</u>	<u>107,170</u>
Total comprehensive income for the year	107,170	(265,448)	(158,278)
Balance at 31 December 2022	<u>331,766</u>	<u>752,454</u>	<u>1,084,220</u>

\* The Mission recognises changes in the fair value of equity investments at fair value through OCI. During the year ended 31 December 2021, a misallocation between retained earnings and the financial asset fair value reserves in previous years was identified within the figures for both reserves. This was corrected and recorded as a transfer to/from each reserve in the Statement of Changes in Equity.

The above Statement of changes in equity should be read in conjunction with the accompanying notes

7

**The Mission to Seafarers Victoria Inc.  
Statement Of Cash Flows  
For the year ended 31 December 2022**

	<b>Note</b>	<b>2022 \$</b>	<b>2021 \$</b>
<b>Cash flows from operating activities</b>			
Receipts from customers and funders		885,023	1,476,779
Payments to suppliers and employees		(1,344,640)	(857,634)
Interest received		1,615	366
Net cash from/(used in) operating activities	17	(458,002)	619,511
Net increase/(decrease) in cash and cash equivalents		(458,002)	619,511
Cash and cash equivalents at the beginning of the financial year		869,249	249,738
Cash and cash equivalents at the end of the financial year	5	<u>411,247</u>	<u>869,249</u>

*The above Statement of cash flows should be read in conjunction with the accompanying notes*

8

**The Mission to Seafarers Victoria Inc.  
Notes To The Financial Statements  
31 December 2022**

**Note 1. Significant accounting policies**

**Corporate information**

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

The financial statements were authorised for issue on 4 May 2023 by the Mission's Board of Management.

**Basis of preparation**

The Mission is a not-for-profit entity. In the opinion of the Board of Management, the Mission is not a reporting entity as its users may request the financial information they need. These special purpose financial statements have been prepared for distribution to Members and for the purposes of fulfilling the reporting requirements under the *Australian Charities and Not-for-profits Commission Act 2012*.

The Mission has not assessed whether it has relationships with other entities which, for financial reporting purposes, might be considered subsidiaries, as it is not required by the *Australian Charities and Not-for-profits Commission Act 2012* to do so in the preparation of a special purpose financial report.

These special purpose financial statements comply with all the recognition and measurement requirements in Australian Accounting Standards (except for the requirements set out in AASB 10 *Consolidated Financial Statements*).

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board (AASB) has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the Statement of Cash Flows, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

**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.

**Income tax**

As the association is a charitable institution in terms of subsection 50-5 of the *Income Tax Assessment Act 1997*, as amended, it is exempt from paying income tax.

**Leases**

*The Mission as lessee*

At inception of a contract, the Mission assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Mission where the association is a lessee. However, all contracts that are classified as short-term leases (i.e. a lease with a remaining lease term of 12 months or less) and leases of low-value assets (i.e. fair value less than \$5,000 - \$10,000) are recognised as an operating expense on a straight-line basis over the term of the lease.

For leases that have significantly below-market terms and conditions principally to enable the Mission to further its objectives (commonly known as peppercorn/concessionary leases), the Mission has adopted the temporary relief under AASB 2018-8 *Amendments to Australian Accounting Standards – Right-of-Use Assets of Not-for-Profit Entities* and measures the right-of-use assets at cost on initial recognition.

9



**Note 1. Significant accounting policies (continued)**

The Mission has an implied peppercorn/concessionary lease arrangement in place for the use of the land and buildings at 717 Flinders Street, Docklands. The initial term of the lease has expired, with the Mission leasing the premises on a month to month basis. As this lease is in a period of holdover, any expenditure which would otherwise meet the criteria of leasehold improvements is currently expensed immediately in profit or loss.

**Financial instruments**

The Mission's financial instruments consist mainly of deposits with banks, receivables, investments and payables.

*Recognition, initial measurement and derecognition*

Financial assets and financial liabilities are recognised when the Mission becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled, or expires.

*Classification and subsequent measurement of financial assets*

All financial assets are initially measured at fair value adjusted for transaction costs (where applicable). For the purpose of subsequent measurement, financial assets are classified into amortised cost or fair value through other comprehensive income. The Mission does not use hedging instruments.

Classifications are determined by both:

- the Mission's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables, which is presented within other expenses.

*(i) Financial assets at amortised cost*

Financial assets are measured at amortised cost if the assets meet the following conditions:

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Mission's cash and cash equivalents and trade and other receivables fall into this category of financial instruments.

*(ii) Financial assets at fair value through other comprehensive income (equity instruments)*

Upon initial recognition, the Mission can elect to classify irrevocably its equity investments as equity instruments designated at fair value through Other Comprehensive Income (OCI) when they meet the definition of equity under IAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the Statement of Profit or Loss and Other Comprehensive Income when the right of payment has been established, except when the Mission benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

**Note 1. Significant accounting policies (continued)**

*Impairment of financial assets*

The Mission makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance at the amount equal to the expected lifetime credit losses. The Mission uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses.

*Classification and measurement of financial liabilities*

The Mission's financial liabilities include trade and other payables. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Mission designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method. The Mission does not utilise derivative financial instruments. The Mission's trade and other payables fall into this category of financial instruments.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

**Impairment of assets**

At the end of each reporting period, the Mission assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the Mission estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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

**Comparative figures**

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

**Economic dependence**

The Mission is economically dependent on the ongoing receipt of income under its grant and sponsorship agreements, and from bequests and donations, and on continuing its lease of its premises at 717 Flinders Street from the State Government of Victoria on effectively peppercorn terms. As described above, this lease is currently in a period of holdover and is on month-to-month terms.

As the abovementioned revenue streams are generally non-recurring, it is difficult for the Board of Management to accurately estimate future cash flows from these sources.

Despite such uncertainty, the Board of Management is satisfied the Mission has sufficient resources to pay its debts as and when they fall due for at least 12 months from the date of issue of these financial statements. Where continued support from funders and the State Government of Victoria is not forthcoming, this would have a significant impact on the Mission's ability to continue its activities and operations, at sustainable levels.

**New Accounting Standards for application in future periods**

There are number of amendments to accounting standards issued by the AASB that will become effective for accounting periods beginning on or after 1 January 2023, and will therefore be relevant for the upcoming financial year. These amendments will not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

## Note 2. Critical accounting judgements, estimates and assumptions

The Board of Management evaluates estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Mission.

### Key estimates

#### Impairment

The Mission assesses impairment at each reporting period by evaluating the conditions and events specific to the Mission that may be indicative of impairment triggers. Recoverable amounts of the relevant assets are reassessed using the value-in-use calculation which incorporates various key assumptions.

#### Useful lives of property, plant, and equipment

The Mission reviews the estimated useful lives of property, plant, and equipment at the end of each annual reporting period and adjusts the carrying value of assets if required.

### Key judgements

#### Identifying performance obligations under AASB 15: Revenue from Contracts with Customers

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/-type, cost/-value, quantity and the period of transfer related to the goods or services promised.

When reviewing contracts for grants and sponsorships, under AASB 15, the Mission has identified that performance obligations as per such agreements entered into were not considered sufficiently specific. Accordingly, such consideration is recognised as income immediately in profit or loss when the Mission has control of the funding, even if this represents a different reporting period to the year in which the funding is spent or relevant expenditure is incurred.

#### Determination and timing of revenue recognition under AASB 15

For each revenue stream, the Mission applies significant judgement to determine when a performance obligation has been satisfied and the transaction price that is to be allocated to each performance obligation.

The output method is used to recognise revenue once performance obligations are satisfied and goods/services to are transferred to a customer. Such goods/services are typically transferred at a point in time.

#### Determination and timing of revenue recognition relating to JobKeeper subsidies

The timing of recognising revenue from the JobKeeper subsidy was subject to significant judgement.

When recognising income, the Board of Management applied a conservative approach, and recognised the JobKeeper subsidy in profit or loss only when received.

#### Employee benefits

For the purpose of measurement, AASB 119: *Employee Benefits* defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. The Mission expects most employees will take their annual leave entitlements within 24 months of the reporting period in which they were earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements.

#### Reimbursement for goods purchased for seafarers

In response to the COVID-19 restrictions, the Mission purchased specific goods at the request of seafarers remaining on board ships, before being subsequently reimbursed.

The Board of Management concluded that the substance of such transactions was that the Mission temporarily incurred costs on behalf of seafarers before being reimbursed in full. For this reason, such transactions were offset in the preparation of the financial statements. Goods purchased on behalf of seafarers, which were yet to be reimbursed by them at the balance sheet date, were disclosed in other current assets.

## Note 2. Critical accounting judgements, estimates and assumptions (continued)

### Historic and current pay entitlements

The determination of the Mission's liability at 31 December 2021 with respect to historic and current employee pay entitlements to some extent relied upon management's estimates with respect to the actual hours worked, and allowances due, for several employees for whom complete and accurate timesheets were no longer available. These estimates were based upon the best available alternative sources including other timesheet and roster information and contracts of employment and, in the case of staff classified as managers, through the application of generally acceptable loadings on contracted salaries.

### Note 3. Revenue

#### (a) Revenue from contracts with customers

The Mission has disaggregated its revenue from contracts with customers, by type of good or service as follows. All revenue was recognised as being transferred at a point in time.

	2022 \$	2021 \$
<i>Type of good/service</i>		
Sale of goods and services	364,339	275,341
Functions and events	114,930	124,598
Foreign currency fees	61,538	32,723
Association memberships	614	741
	<u>541,421</u>	<u>433,403</u>

#### (b) Other sources of revenue

	2022 \$	2021 \$
Grants and sponsorships	36,861	67,834
Donations and bequests	94,671	472,478
Distributions - externally managed trusts	16,586	10,387
Distributions - Seafarers' Welfare Fund (*)	45,000	82,668
Dividends and interest	53,935	65,235
Rent	25,000	22,138
Other income	17,189	-
JobKeeper subsidy	-	48,000
Other Government support (including Cash Flow Boost)	-	303,200
	<u>289,242</u>	<u>1,071,940</u>

\*The Seafarers' Welfare Fund was established during 1999 for the relief of seafarers in necessitous circumstances and is a registered charity which can receive tax deductible donations. The Mission (in its capacity as Trustee of the Seafarers' Welfare Fund) may make distributions to the Mission.

### Accounting policy for revenue recognition

When the Mission receives consideration, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the Mission:

- identifies each performance obligation relating to the contract
- recognises a contract liability for its obligations under the contract
- recognises revenue as it satisfies its performance obligations, at the time of which services are rendered.



**The Mission to Seafarers Victoria Inc.  
Notes To The Financial Statements  
31 December 2022**

**Note 3. Revenue (continued)**

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Mission:

- recognises the asset received in accordance with the recognition requirements of other applicable Accounting Standards;
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue, or contract liability arising from a contract with a customer); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the Mission recognises income in profit or loss when or as it satisfies its obligations under the contract. This policy applies to each of the Mission's revenue streams as follows:

*Sale of goods and services*

Revenue from the sale of goods and services is recognised when the goods and services are transferred to the customer, at a point in time.

*Functions and events revenue*

Revenue from functions and events is recognised when the function or event takes place, at a point in time.

*Foreign currency fees*

Foreign currency fees are recognised when the foreign currency is exchanged and provided to the customer, at a point in time.

*Grants and sponsorships*

The Mission's grants and sponsorship agreements do not typically contain sufficiently specific performance obligations. This means that under AASB 1058 *Income for Not-for Profit Entities* (AASB 1058) such funds are usually recognised as income immediately when the Mission obtains control of the cash, even if the funding is to be spent in future reporting periods.

*Donations and bequests*

Donations and bequests received by the Mission typically do not involve terms or contracts that contain sufficiently specific performance obligations, therefore income is recognised when the Mission obtains control of the cash, even if the funding is to be spent in future reporting periods.

*Dividends and distributions from externally managed trusts*

Dividend income and distributions from externally managed trusts are recognised when the Mission's right to receive the payment is established.

*Distributions from the Seafarers' Welfare Fund*

Distributions from the Seafarers' Welfare Fund are recognised once the Trustee of the Fund has agreed to the distribution.

*Interest*

Interest income is recognised using the effective interest method.

*JobKeeper subsidy*

The Commonwealth Government's JobKeeper subsidy provided the Mission, as an eligible employer, with a wage subsidy for wages paid to eligible employees to 28 March 2021. This revenue was recognised when the Mission obtained control over the cash.

*Other Government support*

Other Government support includes the Commonwealth Government's Cash Flow Boost and grants from State and Local Government, related to COVID-19 recovery measures in the period to 31 December 2021. Such support was recognised when the Mission obtained control of the cash.

**The Mission to Seafarers Victoria Inc.  
Notes To The Financial Statements  
31 December 2022**

**Note 4. Expenditure**

	2022 \$	2021 \$
Cost of sales:		
Bar	73,705	48,653
Phone cards	36,229	28,660
Merchandise and other	61,938	35,283
	<u>171,872</u>	<u>112,596</u>

	2022 \$	2021 \$
Depreciation of property, plant and equipment:		
Plant and equipment	2,051	10,046
Furniture and fittings	1,510	2,349
Motor vehicles	3,164	3,164
	<u>6,725</u>	<u>15,559</u>

**Note 5. Cash and cash equivalents**

	2022 \$	2021 \$
<i>Current assets</i>		
Cash on hand	24,426	6,034
Cash at bank	386,821	863,215
	<u>411,247</u>	<u>869,249</u>

**Accounting policy for cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of six months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**Note 6. Trade and other receivables**

	2022 \$	2021 \$
<i>Current assets</i>		
Trade receivables	20,310	7,829

**Accounting policy for trade and other receivables**

Trade and other receivables include amounts receivable for goods sold and services performed in the ordinary course of business, including grants due from grantors. 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.

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method, less any provision for impairment. Refer to Note 1 for further discussions on the determination of impairment losses.

**The Mission to Seafarers Victoria Inc.  
Notes To The Financial Statements  
31 December 2022**

**Note 7. Other current assets**

	2022 \$	2021 \$
<i>Current assets</i>		
Prepaid expenses	18,583	12,507
Seafarers' Welfare Fund (*)	45,000	82,668
Franking credits receivable	9,926	22,141
Other current assets	2,400	2,400
Seafarers' reimbursements (**)	-	6,809
	<u>75,909</u>	<u>126,525</u>

(\*) Refer to Note 3.

(\*\*) Refer to Note 2.

**Note 8. Inventories**

	2022 \$	2021 \$
<i>Current assets</i>		
Bar stock	10,403	10,355
Phone cards	4,527	8,559
Merchandise	5,222	24,891
	<u>20,152</u>	<u>43,805</u>

**Accounting policy for 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.

**Note 9. Investments**

	2022 \$	2021 \$
<i>Financial assets at fair value through other comprehensive income:</i>		
<i>Non-current assets</i>		
Equity instruments	<u>765,067</u>	<u>657,896</u>

**Accounting policy for investments**

Investments in equity instruments are intended to be held for the medium to long-term and are not held for trading. The Mission has elected to account for changes in the fair value of equity instruments at fair value through other comprehensive income. Refer to Note 1 for the Mission's accounting policy for financial instruments.

**The Mission to Seafarers Victoria Inc.  
Notes To The Financial Statements  
31 December 2022**

**Note 10. Property, plant and equipment**

	2022 \$	2021 \$
<i>Non-current assets</i>		
Plant and equipment - at cost	195,683	195,683
Less: Accumulated depreciation	<u>(189,254)</u>	<u>(187,203)</u>
	6,429	8,480
Furniture and fittings - at cost	259,721	259,721
Less: Accumulated depreciation	<u>(251,376)</u>	<u>(249,866)</u>
	8,345	9,855
Motor vehicles - at cost	55,404	55,404
Less: Accumulated depreciation	<u>(51,475)</u>	<u>(48,311)</u>
	3,929	7,093
	<u>18,703</u>	<u>25,428</u>

**Reconciliations**

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Plant and equipment \$	Furniture and fittings \$	Motor vehicles \$	Total \$
Balance at 1 January 2021	18,526	12,204	10,257	40,987
Additions at cost	-	-	-	-
Disposals	-	-	-	-
Depreciation expense	<u>(10,046)</u>	<u>(2,349)</u>	<u>(3,164)</u>	<u>(15,559)</u>
Balance at 31 December 2021	8,480	9,855	7,093	25,428
Additions at cost	-	-	-	-
Disposals	-	-	-	-
Depreciation expense	<u>(2,051)</u>	<u>(1,510)</u>	<u>(3,164)</u>	<u>(6,725)</u>
Balance at 31 December 2022	<u>6,429</u>	<u>8,345</u>	<u>3,929</u>	<u>18,703</u>

**Accounting policy for property, plant and equipment**

Each class of property, plant, and equipment is carried at cost less, where applicable, accumulated depreciation and impairment losses.

**Plant and equipment**

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1 for details of impairment).

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired where this can be reliably estimated. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefit associated with the item will flow to the Mission and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period which they occur.



**The Mission to Seafarers Victoria Inc.  
Notes To The Financial Statements  
31 December 2022**

**Note 10. Property, plant and equipment (continued)**

*Depreciation*

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

The depreciation rates used for each class of depreciable assets, which are consistent with the previous period, are:

<b>Class of fixed asset</b>	<b>Depreciation rate</b>
Plant and equipment	15 - 50%
Furniture and fittings	10%
Motor vehicles	15%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they occur.

**Note 11. Trade and other payables**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<i>Current liabilities</i>		
Trade payables	25,892	27,499
Superannuation and PAYGW payable	23,283	22,990
Accrued expenses and other payables	33,146	27,593
FBT liability	23,567	-
	<u>105,888</u>	<u>78,082</u>

The FBT liability arose on payments made by the Mission in the period from August 2020 to September 2022 in respect of the Port Chaplain's residential accommodation. The liability was considered and calculated for the first time during the 2022 year.

**Accounting policy for trade and other payables**

Trade and other payables represent the liabilities outstanding at the end of the reporting period for goods and services received by the Mission during the reporting period. These liabilities are recognised as current liabilities as they are normally settled within 30 days of recognition.

**Note 12. Contract liabilities**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<i>Current liabilities</i>		
Contract liabilities	<u>18,400</u>	<u>11,593</u>

**Accounting policy for contract liabilities**

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

**The Mission to Seafarers Victoria Inc.  
Notes To The Financial Statements  
31 December 2022**

**Note 13. Employee benefits**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<i>Current liabilities</i>		
Annual leave entitlements	58,510	46,828
Long service leave entitlements	<u>36,858</u>	<u>28,163</u>
	<u>95,368</u>	<u>74,991</u>
<i>Non-current liabilities</i>		
Long service leave entitlements	<u>7,512</u>	<u>4,092</u>
	<u>102,880</u>	<u>79,083</u>

**Accounting policy for employee benefits**

The Mission provides for its obligations to pay short-term employee benefits. Short-term employee benefits are benefits, including wages, salaries and leave but excluding termination benefits, that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees rendered the related service. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are shown in current liabilities.

Current liabilities also include the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on experience, the Mission does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the association does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

*Non-current liabilities*

The Mission's obligations for long-term employee benefits are presented as non-current liabilities, except where the Mission does not have an unconditional right to defer settlement for at least 12 months after the reporting date, in which case the obligations are presented as current liabilities.

Non-current liabilities include amounts provided for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

Long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate expected future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements of obligations for other long-term employee benefits for changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

**Note 14. Provisions**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<i>Current liabilities</i>		
Historic and current pay entitlements	<u>-</u>	<u>319,476</u>

During the prior year, the Board of Management commissioned an independent review of the Mission's compliance with minimum pay entitlements, under the relevant industrial instruments, with respect to its past and current employees. This review confirmed that underpayment liabilities existed, and the relevant employees' pay entitlements, including superannuation and interest, were recalculated for the six-year period from 1 January 2016 to 31 December 2021.

**Note 14. Provisions (continued)**

All liabilities were settled during the year ended 31 December 2022.

**Accounting policy for provisions**

Provisions are recognised when the Mission has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

**Note 15. Commitments**

**(a) Lease commitments**

No lease expenditure commitments were contracted for at year end.

**(b) Capital expenditure commitments**

No capital expenditure commitments were contracted for at year end.

**Note 16. Contingent liabilities and assets**

*Contingent asset*

A weathervane of historic significance was stolen from the Mission's premises in March 2022 and, despite numerous public appeals and a police investigation, was not recovered. A claim was made to the Mission's insurers prior to 31 December 2022, to cover the cost of reproducing a similar weathervane. This claim was settled in the amount of \$49,000 after the year end and is also disclosed in Note 18 as a subsequent event.

The Mission's Board of Management is not aware of any other contingent liabilities or assets as at the date of signing this financial report.

**Note 17. Cash flow information**

	2022 \$	2021 \$
Surplus/(deficit) for the year	(265,448)	569,528
Adjustments for:		
Depreciation and amortisation	6,725	15,559
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(12,482)	26,376
Decrease/(increase) in inventories	23,653	(12,951)
Decrease/(increase) in other current assets	50,616	(100,216)
Increase in trade and other payables	27,806	29,163
Increase in contract liabilities	6,807	2,883
Increase in employee benefits liabilities	23,797	34,439
Increase/(decrease) in other provisions	(319,476)	54,730
Net cash from/(used in) operating activities	<u>(458,002)</u>	<u>619,511</u>

**Note 18. Events after the reporting period**

Since the year end, the Mission's insurers have confirmed settlement of a claim in respect of a stolen weathervane, as described in Note 16.

From 17 February 2023, the Mission has been classified as a Public Benevolent Institution and has also been granted DGR (Deductible Gift Recipient) and FBT (Fringe Benefits Tax) exempt status.

No other matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the association's operations, the results of those operations, or the association's state of affairs in future financial years.

**Note 19. Related party transactions**

The Mission's related parties comprise its key management personnel (comprising the Members of the Board of Management, the Chief Executive Officer, the Port Chaplain) and the following related entities:

- Seafarers' Welfare Fund
- Melbourne Seafarers Centre Inc.

**Remuneration of key management personnel**

	2022 \$	2021 \$
Remuneration of key management personnel	214,904	211,496

The Mission does not remunerate voting Members of the Board of Management.

**Transactions with related entities**

	Note	2022 \$	2021 \$
<i>Assets</i>			
Receivable from the Seafarers' Welfare Fund	7	45,000	82,668

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

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

No Members of the Board of Management have entered into any material contract with the Mission since the end of the previous financial year and there were no material contracts involving Board of Management Member interests subsisting at year end.

From 29 April 2022 until 19 October 2022, Phillip Cornish, a Member of the Board of Management was granted leave from his voting membership of the Board to fulfil the role of the Mission's CEO. Details of his remuneration are included in the disclosures above.



**The Mission to Seafarers Victoria Inc.  
Notes To The Financial Statements  
31 December 2022**

**Note 20. Remuneration of auditors**

During the financial year the following fees were paid or payable for services provided by Andrew Frewin Stewart (AFS), the auditor of the association:

	2022 \$	2021 \$
<i>Audit services - Andrew Frewin Stewart</i>		
Audit of the financial statements	10,313	9,375
<i>Other services - Andrew Frewin Stewart</i>		
Preparation of financial statements	1,320	1,200
Agreed upon procedures	2,500	-
	3,820	1,200
	<u>14,133</u>	<u>10,575</u>

**Note 21. 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 of the liabilities of the Fund, a liability for the deficiency in trust right of indemnity is brought to account. Details of the Fund's liabilities, the offsetting right of indemnity, and any deficiency in the right of indemnity as at 31 December 2022 is disclosed below.

Liabilities of the Seafarers' Welfare Fund not recorded in the financial statements of the Mission were:

	2022 \$	2021 \$
<i>Current liabilities</i>		
Trade and other payables	<u>45,000</u>	<u>82,668</u>

Rights of indemnity for liabilities incurred by the Mission on behalf of the Seafarers' Welfare Fund not recorded in the financial statements were nil (2021: nil).

The assets of the Fund, which lie behind the right of indemnity, are not directly available to meet any liabilities of the Mission acting on its own right. The assets of the Fund were sufficient to discharge all liabilities of the trust at 31 December 2022.

**Note 22. Association details**

The registered office and principal place of business is:


The Mission to Seafarers Victoria Inc.  
717 Flinders Street  
Docklands VIC 3008

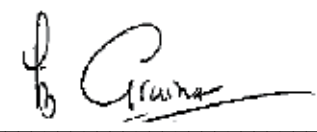
**The Mission to Seafarers Victoria Inc.  
Financial Declaration For Responsible Persons  
31 December 2022**

The Board of Management of the Mission declares that in its opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-Profits Commission Act 2021*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-Profit Commission Regulation 2013*.

  
\_\_\_\_\_  
John Lines  
Chair

  
\_\_\_\_\_  
Liz Grainger  
Treasurer

4 May 2023



Andrew Frewin Stewart  
61 Bull Street Bendigo VIC 3550  
afs@afsbendigo.com.au  
03 5443 0344



Andrew Frewin Stewart  
61 Bull Street Bendigo VIC 3550  
afs@afsbendigo.com.au  
03 5443 0344

## Independent Auditor's Report to the Members of The Mission to Seafarers Victoria Inc.

### Report on the audit of the financial statements

#### Qualification

As is common for organisations of this type, it was not practical for The Mission to Seafarers Victoria Inc. (the association) to establish accounting control over donations and other cash receipts prior to their receipt in the accounting records of the association.

Accordingly, it was not practical in relation to such income to extend our examination beyond the amounts recorded in the accounting records of the association, and as such our audit in relation to this revenue was limited to the amounts recorded.

#### Qualified opinion

In our opinion the association's financial report, being a special purpose financial report, except for the effects of such adjustments, if any, as might have been determined to be necessary had the limitation discussed in the qualification paragraph not existed, is in accordance with 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 2022 and of its performance for the year ended on that date, and
- ii. complying with the accounting policies described in the notes of the financial report.

#### What we have audited

The association's financial report comprises the:

- statement of financial position as at 31 December 2022
- statement of profit or loss and other comprehensive income for the year then ended
- statement of changes in equity for the year then ended
- statement of cash flows for the year then ended
- notes comprising a summary of significant accounting policies and other explanatory notes, and
- the certification by members of the Board of Management that the annual statements give a true and fair view of the financial position of the association.

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

#### Emphasis of Matter - Basis of accounting

We draw attention to the notes of the financial report, which describes the basis of accounting. The financial report has been prepared to for the purpose of fulfilling the association's 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.

#### Other information

The association may prepare an annual report that may include the financial statements, Board of Management's report and declaration and our audit report (the financial report). The annual report may also include "other information" on the entity's operations and financial results and financial position as set out in the financial report, typically in a Chairperson's report and reports covering governance and other matters.

The Board of Management are responsible for the other information. An annual report has not been made available to us as of the date of this auditor's report.

Our opinion on the financial report does not cover the other information and accordingly we will not express any form of assurance conclusion thereon.

Our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If we identify that a material inconsistency appears to exist when we read the annual report (or become aware that the other information appears to be materially misstated), we will discuss the matter with the Board of Management and where we believe that a material misstatement of the other information exists, we will request management to correct the other information.

#### Independence

We are independent of the association in accordance with the auditor independence 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.



afs@afsbendigo.com.au

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afs@afsbendigo.com.au

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Andrew Frewin Stewart  
61 Bull Street Bendigo VIC 3550

afs@afsbendigo.com.au  
03 5443 0344

## Board of Management's responsibility for the financial report

The Board of Management of the association is responsible for the preparation of the financial report that gives a true and fair view in accordance with the accounting policies described in the notes of the financial report and the *Australian Charities and Not-for-profits Commission Act 2012* and for such controls as the Board of Management determines is necessary to enable preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board of Management 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 of Management either intend to liquidate the association or cease operations, or have no realistic alternative but to do so.

## Auditor's responsibility 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. Misstatement can arise from fraud or error and are considered material if, individually or in 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/home.aspx>. This description forms part of our auditor's report.

**Andrew Frewin Stewart**  
61 Bull Street, Bendigo, 3550  
Dated this 4<sup>th</sup> day of May 2023

**Joshua Griffin**  
Lead Auditor



afs@afsbendigo.com.au

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# Seafarers' Welfare Fund

ABN 69 302 106 434

## Financial Report to 31 December 2022

### Seafarers' Welfare Fund Contents 31 December 2022

Statement of profit or loss and other comprehensive income	2
Statement of financial position	3
Statement of changes in equity	4
Statement of cash flows	5
Notes to the financial statements	6
Responsible persons' declaration	11
Independent auditor's report	12

**Seafarers' Welfare Fund**  
**Statement Of Profit Or Loss And Other Comprehensive Income**  
**For the year ended 31 December 2022**

	Note	2022 \$	2021 \$
<b>Revenue</b>	3	19,451	15,535
Interest income		120	205
<b>Expenses</b>			
Distributions to The Mission to Seafarers Victoria Inc.		(45,000)	(82,668)
Bank fees		(55)	(358)
Audit fees		(2,904)	(2,640)
Seafarers' expenses		-	(2,300)
<b>Deficit before income tax expense</b>		(28,388)	(72,226)
Income tax expense		-	-
<b>Deficit after income tax expense for the year</b>		(28,388)	(72,226)
Other comprehensive income for the year, net of tax		-	-
<b>Total comprehensive income for the year</b>		<u>(28,388)</u>	<u>(72,226)</u>

*The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*

2

**Seafarers' Welfare Fund**  
**Statement Of Financial Position**  
**As at 31 December 2022**

	Note	2022 \$	2021 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	60,004	126,060
Total current assets		<u>60,004</u>	<u>126,060</u>
<b>Total assets</b>		<u>60,004</u>	<u>126,060</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	5	45,000	82,668
Total current liabilities		<u>45,000</u>	<u>82,668</u>
<b>Total liabilities</b>		<u>45,000</u>	<u>82,668</u>
<b>Net assets</b>		<u>15,004</u>	<u>43,392</u>
<b>Equity</b>			
Retained earnings		15,004	43,392
<b>Total equity</b>		<u>15,004</u>	<u>43,392</u>

*The above statement of financial position should be read in conjunction with the accompanying notes*

3



**Seafarers' Welfare Fund**  
**Statement Of Changes In Equity**  
**For the year ended 31 December 2022**

	<b>Retained earnings \$</b>	<b>Total \$</b>
Balance at 1 January 2021	115,618	115,618
Deficit after income tax expense for the year	(72,226)	(72,226)
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	(72,226)	(72,226)
Balance at 31 December 2021	<u>43,392</u>	<u>43,392</u>
	<b>Retained earnings \$</b>	<b>Total \$</b>
Balance at 1 January 2022	43,392	43,392
Deficit after income tax expense for the year	(28,388)	(28,388)
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	(28,388)	(28,388)
Balance at 31 December 2022	<u>15,004</u>	<u>15,004</u>

*The above statement of changes in equity should be read in conjunction with the accompanying notes*

4

**Seafarers' Welfare Fund**  
**Statement Of Cash Flows**  
**For the year ended 31 December 2022**

	<b>Note</b>	<b>2022 \$</b>	<b>2021 \$</b>
<b>Cash flows from operating activities</b>			
Receipts from grantors and donors		19,451	15,535
Distributions to Mission to Seafarers Victoria Inc.		(82,668)	(13,064)
Payments to suppliers		(2,959)	(5,298)
Interest received		120	205
Net cash used in operating activities	7	(66,056)	(2,622)
Net decrease in cash and cash equivalents		(66,056)	(2,622)
Cash and cash equivalents at the beginning of the financial year		126,060	128,682
Cash and cash equivalents at the end of the financial year	4	<u>60,004</u>	<u>126,060</u>

*The above statement of cash flows should be read in conjunction with the accompanying notes*

5

Note 1. Significant accounting policies

Corporate information

The Seafarers' Welfare Fund (the Trust) is a trust incorporated in 1999 for the relief of seafarers in necessitous circumstances and is a registered charity which can receive tax deductible donations. This financial report covers the Trust as an individual entity.

The financial statements were authorised for issue on 4 May 2023 by the Trustee, the Mission to Seafarers Victoria Inc.

Basis of preparation

In the opinion of the trustee, the Trust is not a reporting entity as its users, being the trustees, may request the financial information they need. These special purpose financial statements have been prepared for distribution to the trustee and for the purposes of fulfilling the Trust's reporting requirements under the Trust Deed, and the *Australian Charities and Not-for-profits Commission Act 2012*.

These special purpose financial statements comply with all the recognition and measurement requirements in Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board (AASB) has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the statement of cash flows, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

Income tax

As the Trust is a charitable institution in terms of subsection 50-45 of the *Income Tax Assessment Act 1997*, as amended, it is exempt from paying income tax.

Financial instruments

The Trust's financial instruments consist of deposits with banks and trade and other payables.

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

All financial assets are initially measured at fair value adjusted for transaction costs (where applicable). For the purpose of subsequent measurement, financial assets are classified at amortised cost. The Trust does not utilise hedging instruments.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables, which is presented within other expenses.

Impairment of financial assets

The Trust makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance at the amount equal to the expected lifetime credit losses. The Trust uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses.

Note 1. Significant accounting policies (continued)

Classification and subsequent measurement of financial liabilities

The Trust's financial liabilities include trade and other payables. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Trust has designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method. The Trust does not utilise derivative financial instruments. The Trust's trade and other payables fall into this category of financial instruments.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

Provisions

Provisions are recognised when the Trust has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Comparative figures

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

Note 2. Critical accounting judgements and estimates

The Trustee evaluates estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Trust.

Key judgements

Identifying performance obligations under AASB 15: Revenue from Contracts with Customers

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. The Trustee exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement (typically a philanthropic grant), explicit or implicit, regarding the promised goods or services. In making this assessment, the Trustee includes the nature/-type, cost/-value, quantity and the period of transfer related to the goods or services promised.

When reviewing consideration received under AASB 15, the Trust has identified that performance obligations as per the grant agreements entered into were not considered sufficiently specific. Accordingly, such funding is recognised as revenue when the Trust has control of the funding, even if this represents a different reporting period to the year in which the funding is spent or the relevant expenditure is incurred.

Determination and timing of revenue recognition under AASB 15

For each revenue stream, the Trust applies significant judgement to determine when a performance obligation has been satisfied and the transaction price that is to be allocated to each performance obligation.

The output method is used to recognise revenue once performance obligations are satisfied, typically over time.

Note 3. Revenue

	2022 \$	2021 \$
Donations and bequests	15,072	15,332
Other revenue	1,379	203
Grants	3,000	-
	<u>19,451</u>	<u>15,535</u>



**Seafarers' Welfare Fund**  
**Notes To The Financial Statements**  
**31 December 2022**

**Note 3. Revenue (continued)**

**Accounting policy for revenue**

**Revenue recognition**

When the Trust receives grants, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15 *Revenue from Contracts with Customers* (AASB 15).

When both these conditions are satisfied, the Trust:

- identifies each performance obligation relating to the grant
- recognises a contract liability for its obligations under the agreement
- recognises income as it satisfies its performance obligations, at the time of which services are rendered.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Trust:

- recognises the asset received in accordance with the recognition requirements of other applicable Accounting Standards
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer) and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the Trust recognises income in profit or loss when or as it satisfies its obligations under the contract.

This policy applies to each of the Trust's revenue streams as disclosed below.

*Grants*

The Trust's grants do not typically contain sufficiently specific performance obligations. This means that under AASB 1058: *Income of Non-for-Profit Entities* (AASB 1058) such funds are usually recognised as revenue immediately when the Trust obtains control of the cash, even if the funding is to be spent in the following reporting period.

*Donations and bequests*

Donations or bequests received by the Trust typically do not involve terms or contracts that contain sufficiently specific performance obligations, therefore the revenue is recognised when received.

*Interest income*

Interest income is recognised using the effective interest method.

**Note 4. Cash and cash equivalents**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Cash at bank	<u>60,004</u>	<u>126,060</u>

**Accounting policy for 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.

**Note 5. Trade and other payables**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Funds due to The Mission to Seafarers Victoria Inc.	<u>45,000</u>	<u>82,668</u>

**Seafarers' Welfare Fund**  
**Notes To The Financial Statements**  
**31 December 2022**

**Note 6. Lease and capital commitments**

**(a) Lease commitments**

No lease expenditure commitments were contracted for at year end.

**(b) Capital expenditure commitments**

No capital expenditure commitments were contracted for at year end.

**Note 7. Cash flow information**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Deficit after income tax expense for the year	(28,388)	(72,226)
Change in operating assets and liabilities:		
Increase/(decrease) in trade and other payables	<u>(37,668)</u>	<u>69,604</u>
Net cash used in operating activities	<u><u>(66,056)</u></u>	<u><u>(2,622)</u></u>

**Note 8. Contingent liabilities and assets**

The Trustee, The Mission to Seafarers Victoria Inc., is not aware of any contingent liabilities or assets as at the date of signing this financial report.

**Note 9. Events after the reporting period**

There have been no events subsequent to the balance sheet date that have an impact that would require disclosure in the financial statements or notes thereto.

**Note 10. Related party transactions**

The Trust's related parties comprise the following related entities:  
- The Mission to Seafarers Victoria Inc.

	<b>Note</b>	<b>2022</b>	<b>2021</b>
		<b>\$</b>	<b>\$</b>
<b>Transactions with related entities</b>			
The Trustee reports the following transactions with related entities:			
<i>Expenditure</i>			
Distributions to The Mission to Seafarers Victoria Inc.		<u>45,000</u>	<u>82,668</u>
<i>Liabilities</i>			
Trade and other payables - The Mission to Seafarers Victoria Inc.	5	<u>45,000</u>	<u>82,668</u>

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

The Trustee has not entered into any material contract with the Trust since the end of the previous financial year and there were no material contracts involving Trustee interests subsisting at the year end.

Note 11. Trust details

The registered office and principal place of business is:

Seafarers' Welfare Fund  
717 Flinders Street  
Docklands VIC 3008

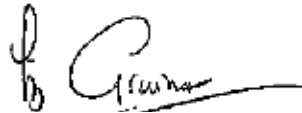
The Trustee declares that in the Trustee's opinion:

- there are reasonable grounds to believe that the Trust is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not for profit Commission Regulation 2013*.



John Lines (Member of the Board of Management of The Mission of Seafarers Victoria Inc.)  
On behalf of the Trustee



Liz Grainger (Member of the Board of Management of The Mission of Seafarers Victoria Inc.)  
On behalf of the Trustee

4 May 2023





Andrew Frewin Stewart  
61 Bull Street Bendigo VIC 3550  
afs@afsbendigo.com.au  
03 5443 0344



Andrew Frewin Stewart  
61 Bull Street Bendigo VIC 3550  
afs@afsbendigo.com.au  
03 5443 0344

## Independent Auditor's Report to the Trustee of the Seafarers Welfare Fund

### Report on the audit of the financial statements

#### Qualification

As is common for organisations of this type, it was not practical for the Seafarer's Welfare Fund (the fund) to establish accounting control over appeals, gifts and donations prior to their receipt in the accounting records of the fund.

Accordingly, it was not practical in relation to such income to extend our examination beyond the amounts recorded in the accounting records of the fund, and as such our audit in relation to this revenue was limited to the amounts recorded.

#### Qualified opinion

In our opinion the fund's financial report, being a special purpose financial report, except for the effects of such adjustments, if any, as might have been determined to be necessary had the limitation discussed in the qualification paragraph not existed, is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- giving a true and fair view of the fund's financial position as at 31 December 2022 and of its performance for the year ended on that date, and
- complying with the accounting policies described in the notes of the financial report.

#### What we have audited

The fund's financial report comprises the:

- statement of financial position as at 31 December 2022
- statement of profit or loss and other comprehensive income for the year then ended
- statement of changes in equity for the year then ended
- statement of cash flows for the year then ended
- notes comprising a summary of significant accounting policies and other explanatory notes, and
- the trustee's declaration of the entity.

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

afs@afsbendigo.com.au

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#### Emphasis of Matter - Basis of accounting

We draw attention to the notes of the financial report, which describes the basis of accounting. The financial report has been prepared to for the purpose of fulfilling the fund's 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.

#### Independence

We are independent of the fund in accordance with the auditor independence 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.

#### Trustee responsibility for the financial report

The trustee of the fund is responsible for the preparation of the financial report that gives a true and fair view in accordance with the accounting policies described in the notes of the financial report and the *Australian Charities and Not-for-profits Commission Act 2012* and for such controls as the trustee determines is necessary to enable preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the trustee 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 intend to liquidate the fund or cease operations, or have no realistic alternative but to do so.

#### Auditor's responsibility 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. Misstatement can arise from fraud or error and are considered material if, individually or in 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/home.aspx>. This description forms part of our auditor's report.

Andrew Frewin Stewart  
61 Bull Street, Bendigo, 3550  
Dated this 4<sup>th</sup> day of May 2023

afs@afsbendigo.com.au

Joshua Griffin  
Lead Auditor

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## Remembering the Mission beyond today

Donating to the Mission to Seafarers is a powerful way to make a lasting impact on the lives of seafarers around the world. The Association recognises the significance of legacies and has been fortunate to receive support from individuals who have remembered them in their wills. These legacies have played a vital role in ensuring the Mission's continued ability to provide essential assistance to seafarers in need. By leaving a legacy to the Mission, individuals can leave a lasting imprint on the lives of countless seafarers, offering them much-needed support and care.

Moreover, the Mission to Seafarers greatly values ongoing legacies through trusts. These arrangements enable donors to establish a lasting commitment to the Association's mission. Through a trust, individuals can contribute to the Mission's efforts year after year, providing consistent and reliable support to seafarers. This long-term approach ensures that the Mission can continue to offer vital services, such as emergency assistance, pastoral care, and access to essential resources, to the more than 60,000 seafarers who rely on their support annually.

No matter the size of the donation, the Mission to Seafarers deeply appreciates every contribution received. Every gift, big or small, can truly make a difference in the lives of seafarers who often face challenging conditions and isolation at sea. Even a modest donation can provide seafarers with access to vital resources, medical care, emotional support, and a connection to their loved ones back home. By donating to the Mission, individuals become an integral part of a global network that offers compassion, assistance, and hope to seafarers who dedicate their lives to transporting goods and connecting nations.

In summary, supporting the Mission to Seafarers through donations and legacies is an impactful way to improve the lives of seafarers. Whether through a one-time gift, a legacy in a will, or an ongoing commitment through a trust, each contribution plays a crucial role in providing essential support and care to seafarers worldwide. With the Mission's dedicated efforts and the generosity of its supporters, the lives of over 60,000 seafarers are positively impacted, offering them a lifeline of assistance and compassion when they need it most.



## How to donate to the Mission to Seafarers Victoria



We accept Direct deposits to our bank account,  
Cheques,  
Online- Paypal transactions  
Along with traditional Credit Card (VISA, Mastercard) deposits  
If you need to send by mail, please use the form below.

For all enquiries into adding the Mission to Seafarers - Victoria,  
or for any other means of donating, please contact our CEO Neil James for full details:  
[neil.james@missiontoseafarers.com.au](mailto:neil.james@missiontoseafarers.com.au)

### Donate Today

#### Direct Deposit:

Mission to Seafarers Vic Inc.  
Bendigo Bank  
BSB: 633 000 Account No: 133 814 400  
Please email your details to [admin@missiontoseafarers.com.au](mailto:admin@missiontoseafarers.com.au)

#### Cheque:

Mission to Seafarers Vic Inc  
717 Flinders St. Docklands VIC 3008

**Online via PayPal:** [missiontoseafarers.com.au/donate](https://missiontoseafarers.com.au/donate)

**Call us:** +61 3 9629 7083



*Caring for Seafarers in  
Victorian Ports Since 1857*



- \$25** supports the provision of phone and internet services for contact with home.
- \$35** will support MtSV Ship Visiting.
- \$50** will support emergency night call-out to help seafarers in distress.
- \$100** will support the upkeep of MtSV on-shore facilities.

### Please accept my gift of:

☐ \$25 ☐ \$35 ☐ \$50 ☐ \$100 ☐ Other \$ \_\_\_\_\_

☐ My cheque is enclosed to the Mission to Seafarers Victoria Inc.  
Or

☐ Please debit my Visa / Mastercard

Card number: \_\_\_\_\_

Expiry date: \_\_\_\_ / \_\_\_\_ CCV: \_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

State: \_\_\_\_\_ Postcode: \_\_\_\_\_

Email: \_\_\_\_\_

Contact phone: \_\_\_\_\_



The Mission to Seafarers Victoria Inc  
717 Flinders Street Docklands Vic 3008  
[missiontoseafarers.com.au](https://missiontoseafarers.com.au)  
Charity ABN: 69 302 106 434





To: Mission to Seafarers Victoria  
717 Flinders Street  
Docklands VIC 3008

*Fold*








**Thank you**





Mission to Seafarers Victoria  
Phone: 03 9629 7083  
717 Flinders Street  
Docklands  
VICTORIA 3008

[missiontoseafarers.com.au](http://missiontoseafarers.com.au)

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