

AUSTRALIAN MARIST SOLIDARITY LIMITED

ABN 46 373 535 209

SPECIAL PURPOSE FINANCIAL REPORT
For the year ended 31 December 2018

AUSTRALIAN MARIST SOLIDARITY LIMITED

TABLE OF CONTENTS

Directors' Report	1 - 3
Auditor's Independence Declaration	4
Directors' Declaration	5
Statement of Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Financial Statements	10 - 16
Independent Auditor's Report	17 - 18

AUSTRALIAN MARIST SOLIDARITY LIMITED

DIRECTORS' REPORT

Your Directors present their report on Australian Marist Solidarity Limited ("the company") for the year ended 31 December 2018.

Directors

The following persons were Directors of the company during the year and up to the date of this report:

Mr Peter Sheehan	Mr Marcus Riley
Br Peter Carroll	Br Anthony Robinson
Dr Frank Malloy	Sr Pam Molony
Mr Richard Ward	Br Paul Kane
Mr David L'Estrange	Michael Sinclair (appointed 14 February 2018)
Jim Whiting (appointed 14 February 2018)	

Ms Catherine Thompson was a Director of the company until her resignation on 16 July 2018.

Mrs Allison White was appointed a Director on 1 February 2019 and continues in office as at the date of this report.

Principal activities

The principal activities of the company is to facilitate Community Development Projects for necessitous persons in developing countries. There were no significant changes in the nature of the company's activities during the year.

Operating results and review of operations

The result for the year is a profit of \$79,068 (2017: profit of \$31,456). No dividend is payable in accordance with the company's Constitution.

Objectives and strategy

Objectives

Short term

- Facilitate Community Development Projects for necessitous persons in developing countries

Long term

- Carry out the principal purpose as stated in the company's Constitution

The Directors will continue to review the company's progress and amend its activities where necessary.

AUSTRALIAN MARIST SOLIDARITY LIMITED

DIRECTORS' REPORT (continued)

Objectives and strategy (continued)

Strategies

To achieve these objectives, the company has adopted the following strategy:

- Implement sound financial management through the use of relevant budgets and cash flows that are continually monitored and measured with key performance indicators and ratio analysis.

Information on Directors

<i>Director</i>	<i>Qualifications</i>	<i>Experience</i>	<i>Special responsibilities</i>
Mr Peter Sheehan	Partner of an Accounting Firm	5 years Director	Board Chairman
Mr Marcus Riley	Chief Executive Officer	5 years Director	Community Engagement Committee
Br Peter Carroll	Marist Brother	3 years Director	
Br Anthony Robinson	Marist Brother	10 years Director	
Sr Pam Molony	Sister of the Congregation of the Good Shepherd	2 years Director	Projects Committee
Dr Frank Malloy	Executive Officer	2 years Director	
Mr Richard Ward	Retired Deputy Headmaster	2 years Director	Finance & Risk Committee
Br Paul Kane	Marist Brother	2 years Director	
David L'Estrange	Lawyer	5 years Director	Community Engagement Committee
Michael Sinclair	Canon Lawyer	7 year Director	Finance & Risk Committee
Jim Whiting, OAM	Managing Director	1 year Director	
Allison White	Senior Leader - Communications and Strategic Planning	< 1 year Director	Projects Committee

AUSTRALIAN MARIST SOLIDARITY LIMITED

DIRECTORS' REPORT (continued)

Meetings of Directors

During the year there were 4 meetings of Directors held. Attendances were as follows:

<i>Director</i>	<i>Meetings held whilst a Director</i>	<i>Meetings attended</i>
Peter Sheehan	4	2
Marcus Riley	4	3
Br Peter Carroll	4	4
Br Anthony Robinson	4	4
Sr Pam Molony	4	4
Dr Frank Malloy	4	3
Mr Richard Ward	4	3
Br Paul Kane	4	3
David L'Estrange	4	4
Mr Michael Sinclair	4	4
Mr Jim Whiting	3	2
Ms Catherine Thompson	2	-

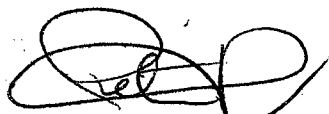
Limited by guarantee

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the company's Constitution states that every member undertakes to contribute to the property of the company for payment of the debts and liabilities of the company and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves such amount as may be required not exceeding \$100. The company has 9 members therefore \$900 in total. (2017: \$900).

Auditor's independence declaration

Division 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* requires the company's auditor to provide the Directors with a written independence declaration in relation to the audit of the financial report for the year ended 31 December 2018. The Auditor's Independence Declaration is attached and forms part of this Directors' Report.

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



Peter Sheehan
Director



Marcus Riley
Director

Brisbane, 16 April 2019

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF AUSTRALIAN MARIST SOLIDARITY LIMITED**

In relation to our audit of the financial report of Australian Marist Solidarity Limited for the year ended 31 December 2018, we declare that to the best of our knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012*; and
- b) no contraventions of any applicable code of professional conduct.



Lever Audit Pty Ltd

Brisbane,  2019



Simon Green CA
Director

AUSTRALIAN MARIST SOLIDARITY LIMITED

DIRECTORS' DECLARATION

The Directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 2 to the financial statements.

The Directors declare that the financial statements and notes set out on pages 6 to 16:

- a) comply with Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012*; and
- b) give a true and fair view of the company's financial position as at 31 December 2018 and of its performance, as represented by the results of its operations and cash flows, for the year ended on that date in accordance with the accounting policies described in Note 2 to the financial statements.

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

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



Peter Sheehan
Director



Marcus Riley
Director

Brisbane, 16 April 2019

AUSTRALIAN MARIST SOLIDARITY LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	2018 \$	2017 \$
<i>Continuing operations</i>			
Revenue:			
Donations and gifts		1,708,420	1,690,283
Grants:			
- International Aid Agencies		332,141	275,960
- Australian grantors		84,310	204,167
Distributions from financial assets		66,823	-
Administration fee		42,991	47,260
Interest		30,800	7,216
Foreign current exchange gain		1,839	-
Other income		190,015	179,383
		<u>2,457,339</u>	<u>2,404,269</u>
Expenditure:			
International Programs:			
- Funding		2,031,005	2,091,996
- Support costs		69,220	52,531
Administration costs	3	247,176	213,956
Market change in financial assets		14,986	-
Investment management		8,993	-
Fundraising costs		6,891	1,402
Foreign current exchange loss		-	12,928
		<u>2,378,271</u>	<u>2,372,813</u>
Profit / (loss) before income tax expense		<u>79,068</u>	<u>31,456</u>
Income tax benefit / (expense)	2(c)	<u>-</u>	<u>-</u>
Profit / (loss) for the year		<u><u>79,068</u></u>	<u><u>31,456</u></u>
<i>Other comprehensive income</i>			
Other comprehensive income items		-	-
Income tax relating to other comprehensive income items		<u>-</u>	<u>-</u>
Total other comprehensive income for the year net of income tax		<u><u>-</u></u>	<u><u>-</u></u>
Total comprehensive income attributable to the ordinary equity holders of the company		<u><u>79,068</u></u>	<u><u>31,456</u></u>

The accompanying notes form part of these financial statements.

AUSTRALIAN MARIST SOLIDARITY LIMITED

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018**

	Note	2018	2017
		\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	4	592,565	1,512,637
Receivables	5	10,518	47,196
Financial assets	6	315,000	-
Total Current Assets		<u>918,083</u>	<u>1,559,833</u>
Non-current Assets			
Financial assets	6	1,789,898	-
Plant and equipment	7	903	1,805
Total Non-current Assets		<u>1,790,801</u>	<u>1,805</u>
Total Assets		<u>2,708,884</u>	<u>1,561,638</u>
LIABILITIES			
Current Liabilities			
Payables	8	13,151	8,521
Provisions	9	20,468	-
Total Current Liabilities		<u>33,619</u>	<u>8,521</u>
Total Liabilities		<u>33,619</u>	<u>8,521</u>
Net Assets		<u>2,675,265</u>	<u>1,553,117</u>
Equity			
Contributed equity	10	-	-
Reserve Funds	11	1,175,540	1,105,653
Retained earnings		1,499,725	447,464
Total equity		<u>2,675,265</u>	<u>1,553,117</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN MARIST SOLIDARITY LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Contributed Equity	Reserve Funds - Designated	Reserve Funds - Undesignated	Retained earnings	Total
	\$	\$	\$	\$	\$
Balance as at 1 January 2017	-	1,238,290	47,990	235,381	1,521,661
Profit / (loss) for the year	-	-	-	31,456	31,456
Total other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	31,456	31,456
Retained Earnings transferred to Reserve Funds (Refer Note 11)	-	(180,627)	-	180,627	-
Dividends recognised for the year	-	-	-	-	-
Balance as at 31 December 2017	-	1,057,663	47,990	447,464	1,553,117
Balance as at 1 January 2018	-	1,057,663	47,990	447,464	1,553,117
Profit / (loss) for the year	-	-	-	79,068	79,068
Total other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	79,068	79,068
Funds transferred from Marist Asia Pacific Solidarity (Refer Note 12)	-	-	-	1,043,080	1,043,080
Retained Earnings transferred to Reserve Funds (Refer Note 11)	-	69,887	-	(69,887)	-
Dividends recognised for the year	-	-	-	-	-
Balance as at 31 December 2018	-	1,127,550	47,990	1,499,725	2,675,265

The accompanying notes form part of these financial statements.

AUSTRALIAN MARIST SOLIDARITY LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	2018 \$ Inflows / (Outflows)	2017 \$ Inflows / (Outflows)
Cash flows from operating activities			
Receipts from operations (inclusive of GST)		2,319,660	2,251,881
Funds transferred from Marist Asia Pacific Solidarity	12	1,043,080	-
Payments to suppliers (inclusive of GST)		(2,260,551)	(2,267,814)
Interest paid		-	-
Income tax refund / (paid)		-	-
Net cash provided by (used in) operating activities	13	<u>1,102,189</u>	<u>(15,933)</u>
Cash flows from investing activities			
Payment for property, plant and equipment		-	(1,970)
Payment for financial assets		(2,119,884)	
Interest received		30,800	7,216
Distribution from financial assets		66,823	-
Net cash provided by (used in) investing activities		<u>(2,022,261)</u>	<u>5,246</u>
Cash flows from financing activities			
Dividend paid		-	-
Net cash provided by (used in) financing activities		<u>-</u>	<u>-</u>
Net increase (decrease) in cash held		(920,072)	(10,687)
Cash at beginning of the year		<u>1,512,637</u>	<u>1,523,324</u>
Cash at the end of the year	4	<u>592,565</u>	<u>1,512,637</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN MARIST SOLIDARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. Basis of Preparation

Australian Marist Solidarity Limited (“the company”) is a company limited by guarantee, incorporated and domiciled in Australia.

Special Purpose Financial Report

In the Directors’ opinion, the company is not a reporting entity because there are no users dependent on general purpose financial reports. This is a special purpose financial report that has been prepared for the sole purpose of complying with the Directors’ reporting obligations under the *Australian Charities and Not-for-profits Commission Act 2012* and the Australian Council for International Development’s (“ACFID”) Code of Conduct and must not be used for any other purpose.

The financial report contains only those disclosures considered necessary by the Directors to meet the needs of the members and to provide an understanding of the financial position and performance of the company.

The financial report was authorised for issue by the Directors on the date specified in the Directors’ Report.

Accounting Standards

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (“AASB”) as described in Note 2 to the financial statements. The Directors have determined that the accounting policies of the company are appropriate to meet the needs of the members.

Historical Cost Convention

The financial statements have been prepared on an accruals basis and are based on historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of consideration given in exchange for the assets.

Going Concern

The financial statements have been prepared on a going concern basis which contemplates the continuity of the normal business activities and the realisation of assets and discharge of liabilities in the ordinary course of business.

Functional and Presentation Currency

The functional currency of an entity is measured using the currency of the primary economic environment in which that entity operates. The financial report is presented in Australian dollars, which is the functional and presentational currency of the company.

AUSTRALIAN MARIST SOLIDARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. Basis of Preparation (continued)

Critical Accounting Estimates and Judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company. There are no areas of the company's financial statements that involve a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

Adoption of New and Revised Accounting Standards

During the year, the company adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory. The adoption of these Australian Accounting Standards and Interpretations did not have a material impact on the recognition, measurement or disclosure of any transactions in the financial statements of the company.

New Accounting Standards for application in future years

The AASB has issued new and revised Australian Accounting Standards and Interpretations that have mandatory application dates for future reporting years and which the company has decided not to early adopt. These Australian Accounting Standards and Interpretations are not expected to have a material impact on the company.

2. Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These accounting policies have been consistently applied to the year presented, unless otherwise stated.

(a) Revenue

Revenue is recognised to the extent that it is probable that economic benefits will flow to the company and the revenue amount can be reliably measured, which is generally at the time of receipt. Revenue is measured at the fair value of the consideration received or receivable.

Non-reciprocal donations and gifts, and grant funds, whether designated or undesignated, are recognised as revenue when the company obtains control over the funds, which is generally at the time of receipt, i.e. recognised when cash is received / banked, as the company will comply with the associated obligations, if any.

Investment returns (dividends and franking credits), administration fees and interest are recognised when funds are received / banked.

Other income is recognised as earned.

AUSTRALIAN MARIST SOLIDARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Summary of Significant Accounting Policies (continued)

(b) Expenditure

Expenses represent liabilities for goods and services provided to the company and are recognised upon incurrence of the liability.

Funds to International programs payments are recognised as expenditure when the approved funding has been transferred to the program's manager.

(c) Income Tax

No provision for income tax has been recognised as the Directors have assessed the company as being exempt from income tax under the *Income Tax Assessment Act 1997*.

(d) Cash and Cash Equivalents

Cash includes cash on hand, funds held at call and other short term highly liquid investments which are readily convertible to cash on hand with an insignificant risk of change in value, and bank overdraft positions which are used in the company's cash management function on a day-to-day basis.

(e) Receivables

Trade debtors are recognised at the amounts receivable as they are due for settlement within 60 days. Collectability of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful debts is raised where some doubt as to collection exists.

(f) Financial Assets

Financial assets are recognised when the company becomes a party to the contractual provisions to the financial instrument. This is equivalent to the date that the company commits itself to either purchase or sale of the asset.

Financial instruments are initially measured at fair value plus transactions costs, and are subsequently measured at fair value with changes in the carrying value being included in profit or loss. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value.

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the company no longer has any significant continuing involvement in the risks and benefits associated with the asset.

(g) Payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which remain unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

AUSTRALIAN MARIST SOLIDARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Summary of Significant Accounting Policies (continued)

(h) Provisions

Employee entitlements

Provision is made for the company's liability for employee entitlements, being annual leave and long service leave, arising from services rendered by employees to the end of the reporting period.

Employee entitlements that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements.

(i) Reserve Funds

Unexpended donations and contributions received by the company are transferred from Retained Earnings to Reserve Funds for future accountability, transparency and disbursement.

(j) Goods and Services Tax (GST)

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

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

	2018 \$	2017 \$
3. Administration Costs		
<i>Administration costs include:</i>		
Fees for audit services	1,650	1,650
Depreciation	902	165
4. Cash and Cash Equivalents		
Cheque accounts	526,862	265,459
Cash / term deposit accounts	22,948	1,152,478
International Aid Fund	8,119	70,814
Foreign currency cheque account	172	23,886
DDH Graham cash management accounts	34,464	-
	<u>592,565</u>	<u>1,512,637</u>

AUSTRALIAN MARIST SOLIDARITY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018 \$	2017 \$
5. Receivables		
Trade debtors	-	42,745
GST refund	10,518	4,451
	<u>10,518</u>	<u>47,196</u>
6. Financial Assets		
<i>Current</i>		
Fixed interest securities	315,000	-
	<u>315,000</u>	<u>-</u>
<i>Non-current</i>		
Fixed interest securities	1,789,898	-
	<u>1,789,898</u>	<u>-</u>
7. Plant and Equipment		
Plant and equipment – at cost	1,970	1,970
Accumulated depreciation	(1,067)	(165)
	<u>903</u>	<u>1,805</u>
8. Payables		
Trade and sundry creditors	13,151	8,521
	<u>13,151</u>	<u>8,521</u>
9. Provisions		
Employee entitlements – annual leave	20,468	-
	<u>20,468</u>	<u>-</u>
10. Contributed Equity		

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the company's Constitution states that every member undertakes to contribute to the property of the company for payment of the debts and liabilities of the company and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves such amount as may be required not exceeding \$100. The company has 9 members therefore \$900 in total. (2017: \$900).

AUSTRALIAN MARIST SOLIDARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

11. Reserve Funds

Designated Funds Reserve

Designated Reserve Funds record donations and contributions received by the company where the contributor or donor has designated the funds to a specific purpose or project.

	2018 \$	2017 \$
<u>Cambodia project</u>		
Opening balance	814,040	994,667
Net transfer to reserve	69,887	-
Net transfer from reserve	-	(180,627)
	883,927	814,040
 <u>AMS projects</u>		
Opening balance	243,623	243,623
Net transfer to reserve	-	-
Net transfer from reserve	-	-
	243,623	243,623
 Total Designated Reserve Funds	1,127,550	1,057,663

Non-designated Funds Reserve

Non-designated Reserve Funds record donations and contributions received by the company where the contributor or donor has not designated the funds to a specific purpose or project.

<u>Cambodia project</u>		
Opening balance	32,626	32,626
Net transfer to reserve	-	-
Net transfer from reserve	-	-
	32,626	32,626
 <u>AMS projects</u>		
Opening balance	15,364	15,364
Net transfer to reserve	-	-
Net transfer from reserve	-	-
	15,364	15,364
 Total Non-designated Reserve Funds	47,990	47,990

Summary

Designated Reserve Funds	1,127,550	1,057,663
Non-designated Reserve Funds	47,990	47,990
	1,175,540	1,105,653

AUSTRALIAN MARIST SOLIDARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

12. Funds transferred from Marist Asia Pacific Solidarity

Donations, gifts and grant funds received by the company in prior years were consolidated with funds of Marist Asia Pacific Solidarity and invested in assets held in the name of Marist Asia Pacific Solidarity. During the year the quantum of funds subject to this arrangement have been identified and returned to the company.

	2018 \$	2017 \$
13. Cash Flow Information		
<i>Reconciliation of profit / (loss) to net cash flows from operating activities</i>		
Profit / (loss) for the year	99,536	31,456
Market change in financial assets	14,986	-
Investment management	8,993	-
Depreciation	902	165
(Increase)/decrease in receivables	36,678	(43,328)
Increase/(decrease) in payables	4,630	2,990
	104,265	(8,717)

14. Contingent Liabilities and Commitments

The company did not have any contingent liabilities as at 31 December 2018.

The company had the following commitments under Memorandums of Understanding as at 31 December 2018.

	2018 \$	2017 \$
Project funding	556,094	247,234
	556,094	247,234

Grants received as at 31 December 2018 to fund these commitments is as follows:

Grants monies received	335,529	190,000
	335,529	190,000

15. Matters subsequent to the end of the financial year

No matter or circumstance has arisen since the end of the year that has significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in years subsequent to 31 December 2018.

16. Company Details

The registered office and principle place of business of the company is Marist Centre, 142 Frasers Road, Ashgrove, Qld, 4060.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTRALIAN MARIST SOLIDARITY LIMITED**

Opinion

We have audited the accompanying financial report, being a special purpose financial report, of Australian Marist Solidarity Limited ("the company") which comprises the Statement of Financial Position as at 31 December 2018, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors' Declaration.

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

- a) giving a true and fair view of the company's financial position as at 31 December 2018 and of its financial performance for the year then ended; and
- b) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of the audit report.

We are independent of the company in accordance with the ACNC Act and ethical requirements of APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Directors' financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose and should not be distributed to or used by parties other than the members. Our opinion is not modified in respect of this matter.

Responsibilities of the Directors for the Financial Report

The Directors of the company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act, the Australian Council for International Development's Code of Conduct and the needs of the members. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as appropriate, matters relating to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTRALIAN MARIST SOLIDARITY LIMITED
(continued)**

The Directors are responsible for overseeing the company's financial reporting process.

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 my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

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

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



Levert Audit Pty Ltd

Brisbane, 16 April 2019



Simon Green CA
Director