

AUSTRALIAN MARIST SOLIDARITY LIMITED

ABN 46 373 535 209

SPECIAL PURPOSE FINANCIAL REPORT
For the year ended 31 December 2020

AUSTRALIAN MARIST SOLIDARITY LIMITED

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AUSTRALIAN MARIST SOLIDARITY LIMITED

DIRECTORS' REPORT

Your Directors present their report on Australian Marist Solidarity Limited ("the company") for the year ended 31 December 2020.

Directors

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

Peter Sheehan

Dr Frank Malloy

Br Paul Kane

Jim Whiting

Br Jeffrey Barrington

Marcus Riley

Sr Pam Molony

Michael Sinclair

Allison White

Norman Chan was appointed a Director on 17 April 2020 and continues in office as at the date of this report.

Br Anthony Robinson, Richard Ward and David L'Estrange were Directors of the company until their retirements on 17 April 2020, 16 April 2020 and 15 July 2020 respectively.

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 surplus of \$72,714 (2019: deficit of \$335,686). 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>
Peter Sheehan	Partner of an Accounting Firm	7 years Director	Board Chairman
Marcus Riley	Chief Executive Officer	7 years Director	Community Engagement Committee
Dr Frank Malloy	National Director Marist Schools Australia, Executive Officer for the Marist Association of Saint Marcellin Champagnat	4 years Director	
Sr Pam Molony	Sister of the Congregation of the Good Shepherd	4 years Director	Projects Committee
Br Paul Kane	Marist Brother	4 years Director	
Michael Sinclair	Canon Lawyer	9 years Director	Finance & Risk Committee
Jim Whiting, OAM	Managing Director	3 years Director	
Allison White	Senior Leader - Communications and Strategic Planning	1 year Director	
Br Jeffrey Barrington	Marist Brother	1 year Director	
Norman Chan	Chartered Accountant	<1 year Director	Finance & Risk Committee

AUSTRALIAN MARIST SOLIDARITY LIMITED

DIRECTORS' REPORT (continued)

Meetings of Directors

During the year there were 6 meetings of Directors held. Attendances were as follows:

<i>Director</i>	<i>Meetings held whilst a Director</i>	<i>Meetings attended</i>
Peter Sheehan	6	6
Marcus Riley	6	4
Br Anthony Robinson	2	2
Dr Frank Malloy	6	5
Sr Pam Molony	6	6
Richard Ward	2	2
Br Paul Kane	6	4
David L'Estrange	3	2
Michael Sinclair	6	6
Jim Whiting	6	6
Allison White	6	6
Br Jeffrey Barrington	6	6
Norman Chan	4	4

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 7 members therefore \$700 in total (2019: \$700).

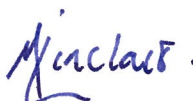
Auditor's independence declaration

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 2020. 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



Michael Sinclair
Director

Brisbane, *April 9,* 2021

**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 2020, 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.



Levert Audit Pty Ltd



Simon Green CA
Director

Brisbane,

2021

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 18:

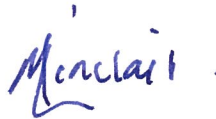
- a) comply with Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012*; and
- b) give a true and fair view of the company's financial position as at 31 December 2020 and of its performance, as represented by the results of its operations and cash flows, for the year 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



Michael Sinclair
Director

Brisbane, 4/1/9, 2021

AUSTRALIAN MARIST SOLIDARITY LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020	2019
		\$	\$
<i>Continuing operations</i>			
Revenue:			
Donations and gifts		1,562,035	1,592,882
Grants:			
- International Aid Agencies		287,769	475,170
- Australian grantors		288,150	138,290
Distributions from financial assets		103,904	118,796
JobKeeper		97,500	-
Administration fee		70,132	55,278
Reimbursement of expenses		56,709	-
ATO cashflow boost stimulus		49,992	-
Interest		1,650	2,540
Foreign current exchange gain		-	1,850
Other income		355,379	303,231
		<u>2,873,220</u>	<u>2,688,037</u>
 Expenditure:			
International Programs:			
- Funding		2,228,434	2,654,573
- Support costs		114,930	69,091
Administration costs	3	435,740	280,140
Investment management fees		14,296	11,541
Fundraising costs		6,876	8,378
Foreign current exchange deficit		230	-
		<u>2,800,506</u>	<u>3,023,723</u>
 Surplus / (deficit) before income tax expense		<u>72,714</u>	<u>(335,686)</u>
Income tax benefit / (expense)	2(d)	<u>-</u>	<u>-</u>
 Surplus / (deficit) for the year		<u>72,714</u>	<u>(335,686)</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>
 Total comprehensive income attributable to the ordinary members of the company		<u>72,714</u>	<u>(335,686)</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN MARIST SOLIDARITY LIMITED

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020**

	Note	2020 \$	2019 \$
ASSETS			
Current Assets			
Cash and cash equivalents	4	659,054	411,359
Receivables	5	81,910	58,230
Financial assets	6	952,777	366,500
Total Current Assets		<u>1,693,741</u>	<u>836,089</u>
Non-current Assets			
Financial assets	6	2,675,939	1,887,732
Plant and equipment	7	-	-
Total Non-current Assets		<u>2,675,939</u>	<u>1,887,732</u>
Total Assets		<u><u>4,369,680</u></u>	<u><u>2,723,821</u></u>
LIABILITIES			
Current Liabilities			
Payables	8	47,049	42,524
Income received in advance	9	1,420,000	-
Provisions	10	11,589	34,603
Total Current Liabilities		<u>1,478,638</u>	<u>77,127</u>
Non-current Liabilities			
Provisions	10	7,989	13,589
Total Non-current Liabilities		<u>7,989</u>	<u>13,589</u>
Total Liabilities		<u><u>1,486,627</u></u>	<u><u>90,716</u></u>
Net Assets		<u><u>2,883,053</u></u>	<u><u>2,633,105</u></u>
Equity			
Contributed equity	11	-	-
Reserve Funds	12	641,937	640,412
Retained earnings		2,241,116	1,992,693
Total equity		<u><u>2,883,053</u></u>	<u><u>2,633,105</u></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 2020**

	Contributed Equity	Reserve Funds - Designated	Reserve Funds - Undesignated	Retained earnings	Total
	\$	\$	\$	\$	\$
Balance as at 1 January 2019	-	1,127,550	47,990	1,505,857	2,681,397
Surplus / (deficit) for the year	-	-	-	(335,686)	(335,686)
Total other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(335,686)	(335,686)
Funds transferred from Marist Asia Pacific Solidarity (Refer Note 13)	-	-	-	287,394	287,394
Retained Earnings transferred to Reserve Funds (Refer Note 12)	-	(487,138)	(47,990)	535,128	-
Dividends recognised for the year	-	-	-	-	-
Balance as at 31 December 2019	-	640,412	-	1,992,693	2,633,105
Balance as at 1 January 2020	-	640,412	-	1,992,693	2,633,105
Surplus / (deficit) for the year	-	-	-	72,714	72,714
Total other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	72,714	72,714
Funds transferred from Marist Asia Pacific Solidarity (Refer Note 13)	-	-	-	177,234	177,234
Reserve Funds transferred to Retained Earnings (Refer Note 12)	-	1,525	-	(1,525)	-
Dividends recognised for the year	-	-	-	-	-
Balance as at 31 December 2020	-	641,937	-	2,241,116	2,883,053

The accompanying notes form part of these financial statements.

AUSTRALIAN MARIST SOLIDARITY LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 \$ Inflows / (Outflows)	2019 \$ Inflows / (Outflows)
Cash flows from operating activities			
Receipts from operations (inclusive of GST)		4,207,475	2,564,765
Funds transferred from Marist Asia Pacific Solidarity	12	177,234	287,394
Payments to suppliers (inclusive of GST)		(2,868,083)	(3,011,435)
Interest paid		-	-
Income tax refund / (paid)		-	-
Net cash provided by (used in) operating activities	14	<u>1,516,626</u>	<u>(159,276)</u>
Cash flows from investing activities			
Proceeds from redemption of financial assets		330,974	407,856
Payment for purchase of financial assets		(1,705,458)	(551,058)
Interest received		1,650	2,540
Distribution from financial assets		103,903	118,732
Net cash provided by (used in) investing activities		<u>(1,268,931)</u>	<u>(21,930)</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		247,695	(181,206)
Cash at beginning of the year		411,359	592,565
Cash at the end of the year	4	<u><u>659,054</u></u>	<u><u>411,359</u></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 2020

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

COVID-19 is not expected to have a significant impact on the company. Management has determined that there is no material uncertainty that casts doubt on the company’s ability to continue as a going concern. Management expects that COVID-19 might have some impact, though not significant, for example, in relation to the amount of new funding available from some sources and the number of new projects committed to in the coming year. However, Management is of the opinion that all existing project commitments can be satisfied and new project commitments are undertaken only after a detailed analysis of the company’s ability to meet the proposed project commitment from existing resources.

The financial statements have therefore 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 2020

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.

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 2020

2. Summary of Significant Accounting Policies (continued)

(b) Government Subsidies

In response to the COVID-19 coronavirus pandemic, in March 2020 the Commonwealth Government of Australia introduced a wage subsidy programme called JobKeeper for entities that were affected by the pandemic subject to certain conditions being met.

The company's application for the wage subsidy programme was approved early 2020. The company benefitted from the wage subsidy programme from April 2020 to September 2020 and received JobKeeper payments totalling \$97,500. In addition to JobKeeper payments, the company received a further \$49,992 in Cashflow Boost Stimulus payments. Both these amounts have been included as Revenue in the Statement of Comprehensive Income.

(c) 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.

(d) 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*.

(e) 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.

(f) 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.

(g) 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 the purchase or sale of the asset.

Financial assets are recorded, and disclosed, at cost inclusive of transaction costs. In the prior year's financial report financial assets were recorded and reported at fair value. The comparative information has been restated to given effect to this change in accounting policy.

AUSTRALIAN MARIST SOLIDARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Summary of Significant Accounting Policies (continued)

(g) Financial Assets (continued)

Financial assets are derecognised where the contractual rights to 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 financial asset.

(h) 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.

(i) 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.

(j) Reserve Funds

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

(k) 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.

AUSTRALIAN MARIST SOLIDARITY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 \$	2019 \$
3. Administration Costs		
<i>Administration costs include:</i>		
Fees for audit services	1,900	1,850
Depreciation	-	903
4. Cash and Cash Equivalents		
Cheque account	525,091	363,038
Cash / term deposit accounts	64	64
International Aid Fund	8,489	5,105
Foreign currency cheque accounts	3,100	4,160
Term deposit	5,000	-
DDH Graham cash management accounts	117,310	38,992
	<u>659,054</u>	<u>411,359</u>
5. Receivables		
Trade debtors	56,709	36,001
GST refund	25,201	22,229
	<u>81,910</u>	<u>58,230</u>
6. Financial Assets		
<i>Current</i>		
Fixed interest securities	952,777	366,500
	<u>952,777</u>	<u>366,500</u>
<i>Non-current</i>		
Fixed interest securities	2,675,939	1,887,732
	<u>2,675,939</u>	<u>1,887,732</u>
Fair value of financial assets as at 31 December 2020 is \$3,631,593 (2019: \$2,254,232).		
7. Plant and Equipment		
Plant and equipment – at cost	1,970	1,970
Accumulated depreciation	(1,970)	(1,970)
	<u>-</u>	<u>-</u>
8. Payables		
Trade and sundry creditors	47,049	42,524
	<u>47,049</u>	<u>42,524</u>

AUSTRALIAN MARIST SOLIDARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 \$	2019 \$
9. Income Received in Advance		
Income received in advance	1,420,000	-
	<u>1,420,000</u>	<u>-</u>

The company received support from the Province for \$150,000 relating to the year ending 31 December 2021. Correspondingly, the company received funds from partners for \$1,270,000 representing 4 years of funding which is expected to be expended over the next 4 years.

10. Provisions

Current

Employee entitlements	11,589	34,603
	<u>11,589</u>	<u>34,603</u>

Non-current

Employee entitlements	7,989	13,589
	<u>7,989</u>	<u>13,589</u>

11. 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 7 members therefore \$700 in total (2019: \$700).

12. 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.

	2020 \$	2019 \$
<u>Cambodia project</u>		
Opening balance	640,412	883,927
Net transfer to reserve	1,525	-
Net transfer from reserve	-	(243,515)
	<u>641,937</u>	<u>640,412</u>

AUSTRALIAN MARIST SOLIDARITY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020	2019
	\$	\$
12. Reserve Funds (continued)		
<u>AMS projects</u>		
Opening balance	-	243,623
Net transfer to reserve	-	-
Net transfer from reserve	-	(243,623)
	-	-
Total Designated Reserve Funds	641,937	640,412
 <i>Non-designated Funds Reserve</i>		
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.		
	2020	2019
	\$	\$
<u>Cambodia project</u>		
Opening balance	-	32,626
Net transfer to reserve	-	-
Net transfer from reserve	-	(32,626)
	-	-
 <u>AMS projects</u>		
Opening balance	-	15,364
Net transfer to reserve	-	-
Net transfer from reserve	-	(15,364)
	-	-
Total Non-designated Reserve Funds	-	-
 <i>Summary</i>		
Designated Reserve Funds	641,937	640,412
Non-designated Reserve Funds	-	-
	641,937	640,412

13. 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.

AUSTRALIAN MARIST SOLIDARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 \$	2019 \$
14. Cash Flow Information		
<i>Reconciliation of surplus / (deficit) to net cash flows from operating activities</i>		
Surplus / (deficit) for the year	72,714	(335,686)
Non cash financial asset related transactions:		
Other non cash transactions:		
Depreciation	-	903
Investing disclosed transactions:		
Interest	(1,650)	(2,540)
Distribution from financial assets	(103,903)	(118,732)
Operating assets / liabilities movements:		
(Increase)/decrease in receivables	(23,680)	(47,712)
Increase/(decrease) in payables	4,525	29,373
Increase/(decrease) in income received in advance	1,420,000	-
Increase/(decrease) in provisions	(28,614)	27,724
Funds transferred from Marist Asia Pacific Solidarity	177,234	287,394
	<u>1,516,626</u>	<u>(159,276)</u>

15. Contingent Liabilities and Commitments

The company did not have any contingent liabilities as at 31 December 2020.

The company had the following commitments under Memorandums of Understanding as at 31 December 2020.

	2020 \$	2019 \$
Project funding	2,271,922	2,231,792
	<u>2,271,922</u>	<u>2,231,792</u>

Grants received as at 31 December 2020 to fund these commitments is as follows:

Grants monies received / receivable	2,250,372	2,119,535
	<u>2,250,372</u>	<u>2,119,535</u>

16. Matters subsequent to the end of the financial year

The COVID-19 coronavirus pandemic developed rapidly in 2020 with a significant number of cases worldwide. Measures taken by various Governments to contain the virus have affected economic activity. The Directors have taken a number of measures to monitor and mitigate the effects of COVID-19, such as safety and health measures for our employees and the people the company works with out in the field (including practising social distancing and working from home). The supply of materials for our projects have been secured and our projects continue to progress without any significant delays.

AUSTRALIAN MARIST SOLIDARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

16. Matters subsequent to the end of the financial year (continued)

At this stage, the impact of COVID-19 upon the company's activities and results has not been significant and based on the company's experience to date the Directors expect this to remain the case. The Directors will continue to follow the various Government policies and advice and, in parallel, will do the utmost to continue the company's operations in the best and safest way possible without jeopardising the health of the people assisting in the delivery of the company's programs.

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 subsequent to 31 December 2020.

17. Company Details

The registered office and principal 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 2020, 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 2020 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,

2021



Simon Green CA
Director