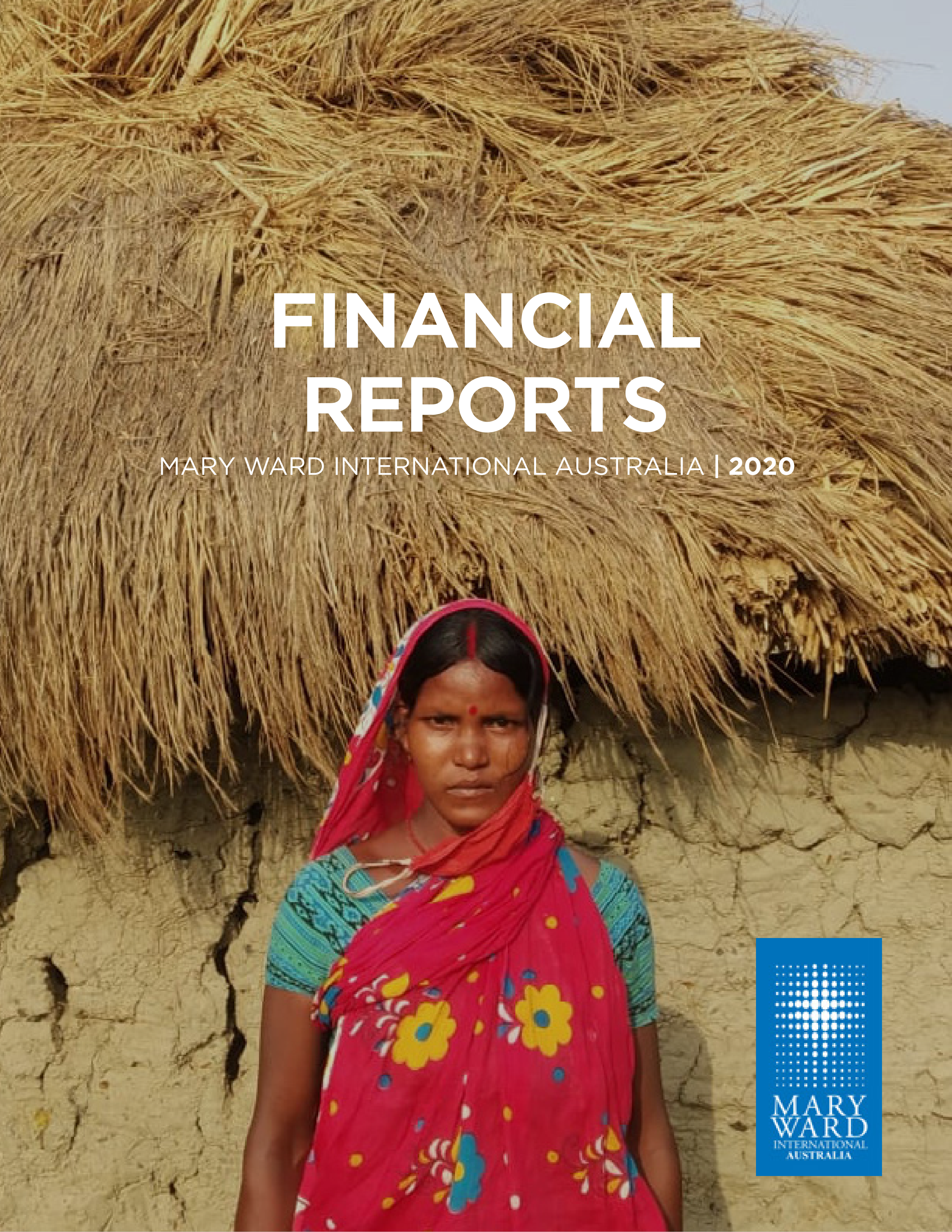
FINANCIAL REPORTS

MARY WARD INTERNATIONAL AUSTRALIA | **2020**



MARY WARD INTERNATIONAL AUSTRALIA LIMITED

ACN 11752477

Consolidated special purpose financial report for the financial period ended 31 December 2020

Special purpose financial report for the financial period ended 31 December 2020

Contents Page

THE DIRECTORS' REPORT

The directors of Mary Ward International Australia Limited submit herewith the annual financial report of the group for the financial period ended 31 December 2020.

These financial statements reflect the results and financial position of the trustee company and the three trusts that it controls, hereafter referred to as "the group".

Mary Ward International Australia Limited was established for the public charitable purpose of acting as trustee of the group. The directors in office at any time during, or since the end of the year are:

Leoni Degenhardt
Elizabeth Rogerson
Emma Braun (Resigned 1/11/2020)
Wendy Hildebrand
Nicole Gibson
Kelly Morison
Rebecca Walker
Mary Cook
Christopher Dureau

The directors have been in office during or since the financial period to the date of this report unless otherwise stated.

Principal Activities
The principal purpose of the group is to provide money, property or benefits to eligible charities, for the establishment of eligible charities or for the public charitable objectives and purpose.

Review of Operations
The group is exempt from paying income tax.

The total loss for the 18 month period was ($431,686) compared to surplus $322,417 for the previous year.

Changes in State of Affairs
The group changed its year end from 30 June to 31 December to be consistent with other associated Loreto entities. As a result, these financial statements are for an 18 month period from 1 July 2019 to 31 December 2020. The comparatives are for the period 1 July 2018 to 30 June 2019.

No other significant changes in the state of affairs of the group have occurred during the financial period.

Subsequent Events
No matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the group, the results of those operations or the state of affairs of the group in financial years subsequent to the financial period ended 31 December 2020.

Future Developments
Disclosures of information regarding likely developments in the operations of the group in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the group. Accordingly, this information has not been disclosed in this report.

Environmental Regulations
The group's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of any State or Territory.

Indemnification of Officers and Auditors
During the financial period, the group paid a premium in respect of a contract insuring the directors and officers of the company and of any related body corporate against a liability incurred as such a director, secretary or executive officer to the extent permitted by the Corporations Act. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The group has not otherwise, during or since the end of the financial period, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the group or of any related body corporate against a liability incurred as such an officer or auditor.

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

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

Directors' Emoluments
The directors do not receive any remuneration for the performance of their duties.

Signed in accordance with a resolution of the Directors.

LDegenhardt

Dr Leoni Degenhardt AM
Chairperson

13 May 2021

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the financial period ended 31 December 2020

	Notes	2020 December (18 Months) $	2019 June (12 Months) $
Revenue from Continuing Operations	3	1,381,477	1,098,425
Net loss from investments		(20,260)	(11,590)
Project expenses		(1,145,414)	(411,338)
Legal expenses		(275)	(1,906)
Printing expenses		(14,400)	(3,454)
Travel expenses		(18,695)	(19,944)
Marketing expenses		(9,440)	(9,721)
Salaries and wages		(496,344)	(266,536)
Other expenses		(108,335)	(51,519)
(Loss)/surplus before tax		(431,686)	322,417
Income tax expense	2(b)	-	-
(Loss)/surplus for the period		(431,686)	322,417
Other comprehensive income		-	-
Total comprehensive (loss)/income for the period		(431,686)	322,417

Notes to the financial statements are included on pages 7 to 15

Consolidated Statement of Financial Position as at 31 December 2020

	Notes	2020 December (18 Months) $	2019 June (12 Months) $
Current Assets			
Cash and cash equivalents	7	747,791	386,874
Trade and other receivables	4	4,753	42,288
Other financial assets	5	2,834,441	3,511,976
Total Current Assets		3,586,985	3,941,138
TOTAL ASSETS		3,586,985	3,941,138
LIABILITIES			
Current Liabilities			
Other payables	6	106,893	29,360
Total Current Liabilities		106,893	29,360
TOTAL LIABILITIES		106,893	29,360
NET ASSETS		3,480,092	3,911,778
TRUST'S EQUITY			
Accumulated surplus		3,480,092	3,911,778
TOTAL TRUST EQUITY		3,480,092	3,911,778

Notes to the financial statements are included on pages 7 to 15

Consolidated Statement of Changes in Equity
for the financial period ended 31 December 2020

	Accumulated Surplus $	Total $
Balance as at 30 June 2018	3,589,361	3,589,361
Surplus for the year	322,417	322,417
Other comprehensive income	-	-
Total comprehensive income	322,417	322,417
Balance as at 30 June 2019	3,911,778	3,911,778
Loss for the period	(431,686)	(431,686)
Other comprehensive income	-	-
Total comprehensive loss for the period	(431,686)	(431,686)
Balance as at 31 December 2020	3,480,092	3,480,092

Notes to the financial statements are included on pages 7 to 16

Consolidated Statement of Cash Flows for the financial period ended 31 December 2020

	Notes	2020 December (18 Months) $	2019 June (12 Months) $
Cash flows from operating activities			
Cash receipts in the course of operations		1,306,902	964,308
Interest received		100,159	88,780
Cash payments in the course of operations		(1,734,563)	(767,147)
Net cash flows (used in)/generated by operating activities	7(b)	(327,502)	285,941
Cash flows from investing activities			
Investments in term deposits		(240,379)	(710,618)
Term deposits redeemed		928,798	330,618
Net cash flows generated by/(used in) investing activities		688,419	(380,000)
Net increase/(decrease) in cash and cash equivalents		360,917	(94,059)
Cash and cash equivalents at beginning of period		386,874	480,933
Cash and cash equivalents at end of period	7(a)	747,791	386,874

Notes to the financial statements are included on pages 7 to 17

1. General Information

Mary Ward International Australia Limited is a company limited by guarantee and the three trusts it is Trustee of, are established and operating in Australia.

The registered office and principal place of business are as follows:

Registered office	**Principal place of business**
Level 2, 257 Auburn Road,	Level 2, 257 Auburn Road,
Hawthorn East VIC 3123	Hawthorn East VIC 3123
Australia	Australia

2. Statement of significant accounting policies

Financial reporting framework
The Directors have determined the group is not a reporting entity because in the opinion of the Directors there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this 'special purpose financial report' has been prepared to satisfy the financial reporting requirements under the Australian Charities and Not-for-profits Commission Act 2012 and the Australian Council for International Development (ACFID) Code of Conduct.

Statement of compliance
The financial report has been prepared in accordance with ACNC and ACFID requirements, the recognition and measurement requirements specified by all Accounting Standards and Interpretations, and the disclosure requirements of Accounting Standards AASB 101 'Presentation of Financial Statements', AASB 107 'Cash Flow Statements', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors' and AASB 1054 'Australian Additional Disclosures. For the purposes of preparing the financial statements the group is a not for-profit entity.

Basis of preparation
The consolidated financial report has been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

These Financial reports reflect the results and financial position of the corporate trustee, Mary Ward International Australia Limited, and the three trusts that it controls, referred to as "the group". The three trusts controlled by the corporate trustee are as follows:
1. Mary Ward International Australia Charitable Trust
2. Mary Ward International Australia
3. Mary Ward International Australia Overseas Development Fund

Critical accounting judgements and key sources of estimation uncertainty
In the application of the Group's accounting policies, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

No key assumptions have been made concerning the future and there are no other key sources of estimation uncertainty at reporting date that management consider have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2. Statement of significant accounting policies (continued)

2.1 Adoption of new and revised Accounting Standards

In the current period, the Group has applied a number of amendments to AASBs and a new Interpretation issued by the Australian Accounting Standards Board (AASB) that are mandatorily effective for an accounting period that begins on or after 1 July 2019, and therefore relevant for the 18 month period end.

AASB 1058 Income of Not-for-Profit Entities and AASB 15 Revenue from Contracts with Customers

In the current period, the Group has applied AASB 1058 Income of Not-for-Profit Entities and AASB 15 Revenue from Contracts with Customers which are effective for an annual period that begins on or after 1 July 2019.

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, in conjunction with AASB 15. The new income recognition requirements shift the focus from a reciprocal/non-reciprocal basis to a basis of assessment that considers the enforceability of a contract and the specificity of performance obligations.

The core principle of the new income recognition requirements in AASB 1058 is when a NFP entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives, the excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately.

An example of a 'related amount' is AASB 15 and in cases where there is an 'enforceable' contact with a customer with 'sufficiently specific' performance obligations, income is recognised when (or as) the performance obligations are satisfied under AASB 15, as opposed to immediate income recognition under AASB 1058.

Under AASB 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. AASB 15 introduces a 5-step approach to revenue recognition, which is more prescriptive than AASB 118

- Step 1: Identify the contract(s) with a customer.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

The adoption of these standards resulted in no material changes to the financial statements.

AASB 16 Leases

In the current period, the Group has applied AASB 16 Leases, which is effective for annual periods that begin on or after 1 July 2019.

AASB 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to lessee accounting by removing the distinction between operating and finance lease and requiring the recognition of a right-of-use asset and a lease liability at commencement for all leases, except for short-term leases and leases of low value assets. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged.

The adoption of AASB 16 Leases, has not resulted in any quantifiable adjustments and has no effect on the amounts reported for the current or prior year. This is because the Group has no long term leases in place.

2. Statement of significant accounting policies (continued)
2.1 Adoption of new and revised Accounting Standards (continued)

Other Pronouncements

The following pronouncements are relevant for the annual reporting period for not-for-profit (NFP) entities preparing special purpose financial statements:

- *AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material*
- *Conceptual Framework for Financial Reporting and AASB 2019-1 Amendments to Australian Accounting Standards – References to the Conceptual Framework*
- *AASB 2019-4 Amendments to Australian Accounting Standards – Disclosures in Special Purpose Financial Statements of Not-for-Profit Private Sector Entities on Compliance with Recognition and Measurement Requirements*
- *AASB 2019-5 Amendments to Australian Accounting Standards – Disclosure of the Effect of New IFRS Standards Not Yet Issued in Australia*

AASB 2019-4 introduces additional disclosures in special purpose financial statements on the compliance with recognition and measurement requirements and is mandatorily effective for the current period (i.e. for the year ending 31 December 2020) for NFP entities.

The application of these amendments did not have any material impact on the disclosures or the amounts recorded in the Group's financial statements

2.2 Standards and Interpretations in issue not yet effective

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective.

Standard/Interpretation	Effective for annual reporting periods beginning on or after
• AASB 2015-10 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and AASB 2017-5 Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 19 and AASB 128 and Editorial Corrections.	1 January 2022 Editorial corrections in AASB 2017-5 applied from 1 January 2018
• AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non- current and AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date.	1 January 2022
• AASB 2020-3 Amendments to Australian accounting Standards – Annual Improvements 2018-2020 and Other Amendments	1 January 2022

The potential effect of the remaining revised Standards/Interpretations on the group's financial statements has not yet been determined.

2. Statement of significant accounting policies (continued)

The following significant accounting policies have been adopted in the preparation and presentation of the financial report and are consistent with the previous period, unless otherwise stated:

a) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

b) Income tax

The Group is exempt from income tax under the provisions of the Income Tax Assessment Act.

c) Impairment of Assets

In respect of not-for-profit entities, where the future economic benefits of an asset are not primarily dependent on the asset's ability to generate net cash inflows and where the group would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of the asset. Depreciated replacement cost is defined as the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. The current replacement cost of an asset is its cost measured by reference to the lowest cost at which the gross future economic benefits of that asset could currently be obtained in the normal course of business.

d) Revenue

When the Group receives, income that is in the scope of AASB 1058 (being transactions where the consideration paid to acquire an asset is significantly less than fair value principally to enable the company to further its objectives), it performs an assessment to determine if the contract is 'enforceable' and contains 'sufficiently specific' performance obligations.

In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied. In all other cases the transaction is accounted for under AASB 1058 where the income is recognised upon receipt.

Interest revenue from short term cash investments and term deposits is recognised on a time proportion basis that takes into account the effective yield on the financial asset.

e) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

i. where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
ii. for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables. Cash flows are presented in the statement of cash flows on a gross basis. The component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

2. Statement of significant accounting policies (continued)

f) Financial assets

Recognition and Derecognition

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the financial instrument.

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

Classification of Financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

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

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, the group may make the following irrevocable election/designation at initial recognition of a financial asset:

- The group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- The group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Initial measurement of financial assets

Financial assets are classified according to their business model and the characteristics of their contractual cash flows. Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs.

Impairment of financial assets

The group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables and contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

2. Statement of significant accounting policies (continued)

f) Financial assets (continued)

Trade and other receivables

The group 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. In using this practical expedient, the group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

Subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets, other than those designated and effective as hedging instruments, are classified into the following four categories:

(i) Financial assets at amortised cost
(ii) Debt instruments at fair value through other comprehensive income (FVTOCI)
(iii) Equity instruments at FVTOCI
(iv) Financial assets at FVTPL

The first two categories are applicable and are described further below.

(i) Financial assets at amortised cost

Term deposits held for the purpose of collecting principal and interest payments are measured using initially at amortised cost applying the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

(ii) Financial assets at fair value through profit or loss (FVTPL)

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship.

The fair value of investments in equity securities is their quoted closing price at the reporting date.

The fair value of unlisted investments comprising units in unit trusts are determined by reference to the bid unit prices at the close of business at eh end of the reporting period as established by the unit trusts' trustee.

g) Financial liabilities

Trade and other payables
Trade payables and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the group prior to the end of the financial period that are unpaid and arise when the group becomes obliged to make future payments in respect of the purchase of these goods and services.

2. Statement of significant accounting policies (continued)

h) Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to each reporting date. Control is achieved when the Company:

- has the power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affects its returns.

Consolidation of a controlled entity begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired during the year are included in profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. There are no non-controlling interests.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

	2020 December (18 Months) $	2019 June (12 Months) $
3. Revenue		
a) Finance income		
Interest income from investments	85,927	141,902
b) Other income		
Income from donations	1,063,993	839,085
Project expenditure refunded	50,000	
Other income	181,557	117,438
Total other income	1,295,550	956,523
Total revenue from continuing operations	1,381,477	1,098,425

4. Trade and Other Receivables

Interest receivable	3,630	20,947
Other receivables	1,123	21,341
	4,753	42,288

5. Other financial assets

Financial assets carried at fair value through profit and loss	489,062	478,178
Investments at amortised cost – term deposits	2,345,379	3,033,798
	2,834,441	3,511,976

6. Other payables

Other payables	106,893	29,360
	106,893	29,360

7. Notes to the statement of cash flows

(a) Reconciliation of cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments. Cash and cash equivalents at the end of the financial period as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	2020 December (18 Months) $	2019 June (12 Months) $
Cash and cash equivalents	747,791	386,874
(b) Reconciliation of surplus for the year to net cash flows from operating activities		
Total surplus/(loss) for the period	(431,686)	322,417
Dividends reinvested (non operating)	(20,578)	(46,849)
Loss on Sale of investments	-	41
Unrealised loss in fair value of investments	9,694	11,550
Net cash (used in)/generated by operating activities before changes in assets and liabilities	(442,570)	287,159
Changes in net assets and liabilities:		
Decrease/(increase) in trade and other receivables	37,535	(6,410)
Increase/(decrease) in other payables	77,533	5,192
Net cash (used in)/generated by operating activities	(327,502)	285,941

8. Remuneration of auditors

	2020 December (18 Months) $	2019 June (12 Months) $
Amounts paid or payable to Deloitte Touche Tohmatsu for audit of the financial report:	7,140	5,300
	7,140	5,300

9. Subsequent events

There has not been any matter or circumstance occurring subsequent to the end of the financial period that has significantly affected, or may significantly affect, the operations of the group, the results of those operations, or the state of affairs of the group in future financial years.

10. Contingent liabilities

As at 31 December 2020, there were no contingent liabilities (June 2019: Nil).

11.Parent entity information

The accounting policies of the parent entity which have been applied in determining the financial information shown below are the same as those applied in the consolidated financial statements. Refer to note 2 for a summary of the significant accounting policies relating to the Group.

The individual financial statements for the parent entity show the following aggregate amounts.

	2020 December (18 Months) $	2019 June (12 Months) $
Financial Position		
Assets		
Current assets	-	-
Non current assets	-	-
Total Assets	-	-
Liabilities		
Current liabilities	-	-
Non current liabilities	-	-
Total Liabilities	-	-
Equity		
Accumulated funds	-	-
Total Equity	-	-
Financial performance		
Revenue	-	
Expenses	-	-
Surplus for the period	-	-
Other comprehensive income	-	-
Total comprehensive income	-	-

Directors' Declaration

As detailed in Note 2 to the financial statements, the group is not a reporting entity because in the opinion of the directors there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this 'special purpose financial report' has been prepared to satisfy the directors' reporting in accordance with ACNC and ACFID requirements.

The directors declare that:

(a) in the directors' opinion, there are reasonable grounds to believe that the group will be able to pay its debts as and when they become due and payable; and

(b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the group.

On behalf of the Directors pursuant to section 60.15 of the Australian Charities and Not-for-profits Regulations 2013.

Dr Leoni Degenhardt AM
Chairperson

13 May 2021

ACFID Financial Statements in accordance with the ACFID Code of Conduct

ACFID Compliance

Mary Ward International Australia is a signatory to the Australian Council for International Aid and Development (ACFID) Code of Conduct and is committed to full adherence to its requirements. The Code aims to improve international development outcomes and increase stakeholder trust by enhancing the transparency and accountability of signatory organisations.

The ACFID Code of Conduct offers a mechanism to address concerns relating to signatories' conduct. Complaints against Mary Ward International Australia may be initiated by any member of the public and lodged with the ACFID Code of Conduct Committee at acfid.asn.au/code-of-conduct/complaints or for further information on the ACFID Code please see ACFID website acfid.asn.au.

As a signatory, Mary Ward International Australia is required to publish this complete set of ACFID financial statements according to their prescribed format and standards. For further information on the Code's requirements, please refer to the ACFID Code of Conduct Implementation Guidance available at acfid.asn.au.

Consolidated ACFID Income Statement for the period ended 31 December 2020

This Consolidated Income Statement conforms with the ACFID prescribed format and standards and should be read in conjunction with the other components of the ACFID Financial Statements, as well as the Financial Statements and accompanying notes. The Income Statement discloses the revenue and expenses during the financial period ending 31December 2020.

	2019/2020 (18 Months) $	2018/2019 (12 Months) $
REVENUE		
Donations and gifts		
• Monetary	1,063,993	839,085
Prior Year Domestic Program Expenditure Returned	50,000	-
Investment Income	85,927	141,902
Other Income	181,557	117,438
TOTAL REVENUE	**1,381,477**	**1,098,425**
EXPENDITURE		
International Aid and Development Programs Expenditure		
• International Programs		
▪ Funds to international programs*	1,097,096	308,336
• Accountability and Administration	647,489	353,080
Total International Aid and Development Programs Expenditure	1,744,585	661,416
Domestic Programs Expenditure*	48,318	103,002
Loss from investments	20,260	11,590
TOTAL EXPENDITURE	**1,813,163**	**776,008**
SURPLUS/(DEFICIT)	**(431,686)**	**322,417**
Other Comprehensive Income	-	-
TOTAL COMPREHENSIVE INCOME	**(431,686)**	**322,417**

Revenue includes: Donations are received from schools, parishes and the general public; Investment income is received from term deposits with the major banks and managed funds under the Loreto investment policy; Other income includes fundraising events held and support from Loreto Sisters for administrative costs incurred.

Expenditure includes: Funds distributed to international projects; Administrative expenses include staff costs and office expenses (these are compensated by the contribution from Loreto Sisters).

*During the 18 months ended 31 December 2020 $50,000 was returned to the group by a project recipient that did not spend the project money fully or within the terms of the agreement. Total project expenditure can be reconciled to the statement of profit and loss as follows:

Funds to international programs	1,097,096	308,336
Domestic program expenditure	48,318	103,002
Total project expenditure	1,145,414	411,338

Consolidated ACFID Statement of Financial Position as at 31 December 2020

This Consolidated Statement of Financial Position conforms with the ACFID prescribed format and standards and should be read in conjunction with the other components of the ACFID Financial Statements, as well as the Financial Statements and accompanying notes. The Statement of Financial Position (Balance Sheet) details the financial position and records the assets, liabilities and equity at 31 December 2020

	2019/2020 (18 Months) $	2018/2019 (12 Months) $
ASSETS		
Current Assets		
Cash and cash equivalents	747,791	386,874
Trade and trade receivables	4,753	42,288
Other financial assets	2,834,441	3,511,976
Total current assets	**3,586,985**	**3,941,138**
TOTAL ASSETS	**3,586,985**	**3,941,138**
LIABILITIES		
Current Liabilities		
Trade and other payables	106,893	29,360
Total current liabilities	**106,893**	**29,360**
TOTAL LIABILITIES	**106,893**	**29,360**
NET ASSETS	**3,480,092**	**3,911,778**
EQUITY		
Accumulated Surplus	3,480,092	3,911,778
TOTAL EQUITY	**3,480,092**	**3,911,778**

Consolidated ACFID Statement of Changes in Equity for the period ended 31 December 2020

This Consolidated Statement of Changes in Equity conforms with the ACFID prescribed format and standards and should be read in conjunction with the other components of the ACFID Financial Statements, as well as the Financial Statements and accompanying notes.

	Retained Earnings	Reserves	Other	Total
	$	$	$	$
Balance at 1 July 2018	3,589,361	-	-	13,589,361
Excess of revenue over expenses	322,417	-	-	322,417
Balance at 1 July 2019	**3,911,778**	-	-	**3,911,778**
Excess of expenses over revenue	(431,686)	-	-	(431,686)
Balance as at 31 December 2020	**3,480,092**	-	-	**3,480,092**

Deloitte.

Deloitte Touche Tohmatsu
A.C.N. 74 490 121 060

477 Collins Street
Melbourne VIC 3000
GPO Box 78
Melbourne VIC 3001
Australia

DX 111
Tel: +61 (0) 3 9671 7000
Fax: +61 (0) 3 9671 7001
www.deloitte.com.au

To the Directors
Mary Ward International Australia Limited
Level 2
257 Auburn Road
Hawthorn East VIC 3123

13 May 2021

Dear Directors

Auditor's Independence Declaration to Mary Ward International Australia Charitable Trust

In accordance with financial requirements of the Directors of the Trustee company, I am pleased to provide the following declaration of independence to the Trustees of Mary Ward International Australia Charitable Trust.

As lead audit partner for the audit of the financial statements of Mary Ward International Australia Charitable Trust for the 18 months ended 31 December 2020, 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 Act 2012 (Cth)* (the ACNC Act) in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours faithfully

Deloitte Touche Tohmatsu

Deloitte Touche Tohmatsu

Lefevre

Isabelle Lefevre
Partner
Chartered Accountants
Melbourne

Deloitte Touche Tohmatsu
A.C.N. 74 490 121 060

477 Collins Street
Melbourne VIC 3000
GPO Box 78
Melbourne VIC 3001
Australia

DX 111
Tel: +61 (0) 3 9671 7000
Fax: +61 (0) 3 9671 7001
www.deloitte.com.au

Independent Auditor's Report to the Directors of Mary Ward International Australia Limited

We have audited the financial report, being a special purpose financial report, of Mary Ward International Australia Limited and its controlled entities (the "Group"), which comprises the consolidated statement of financial position as at 31 December 2020, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the 18 months then ended, notes to the financial statements, including a summary of significant accounting policies, the Australian Council for International Development (ACFID) statements and the Directors' declaration as set out on pages 3 to 21.

In our opinion:

(a) the accompanying financial report of the Group is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (the "ACNC Act"), including:

   (i) giving a true and fair view of the Group's financial position as at 31 December 2020 and of its financial performance for the 18 months then ended; and

   (ii) complying with Australian Accounting Standards to the extent described in note 2 and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013.*

(b) the Group complied in all material respects with the financial reporting requirements of the ACFID Code of Conduct for the 18 months ended 31 December 2020.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the ACNC Act and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the "Code") that are relevant to our audit of the financial report. 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 and Restriction on Distribution and Use

We draw attention to Note 2 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Group to meet the financial reporting requirements of the Directors under the ACNC Act and the ACFID Code of Conduct. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the Directors, the *Australian Charities and Not-for-profits Commission* (ACNC) and ACFID and should not be distributed or used by parties other than the Directors, the ACNC and ACFID. Our opinion is not modified in respect of this matter.

Deloitte.

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the Directors report, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information 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, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Directors Responsibilities for the Financial Report

The Directors are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation and accounting policies in Note X of the financial report is appropriate to meet the requirements of the ACNC Act, the ACFID Code of Conduct and the needs of the Directors. The Directors responsibility also includes such internal control as the Directors determine is necessary to enable the preparation and fair presentation of the financial report and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group'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 Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, that the Group complied, in all material respects, with the financial reporting requirements of the ACFID Code of Conduct and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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:

- Identify and assess the risks of material misstatement of the financial report and ACFID Code of Conduct, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

Deloitte.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- 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 Group'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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

DELOITTE TOUCHE TOHMATSU

Isabelle Lefevre
Partner
Chartered Accountants
Melbourne, 13 May 2021

Registered company auditor: 216381

MARY WARD INTERNATIONAL AUSTRALIA CHARITABLE TRUST

A.B.N. 34 852 517 693

Special purpose financial report for the financial period ended 31 December 2020

Special purpose financial report for the financial period ended 31 December 2020

Contents Page

Trustee's Declaration

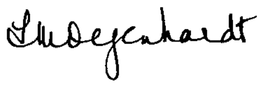
As detailed in Note 2 to the financial statements, the Trust is not a reporting entity because in the opinion of the directors of the trustee company there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this 'special purpose financial report' has been prepared to satisfy the trustee's reporting requirements under the Australian Charities and Not-for-profits Commission Act 2012.

The directors of the trustee company declare that:

(a) in the directors' opinion, there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable; and

(b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Trust.

On behalf of the Directors of the trustee company pursuant to section 60.15 of the Australian Charities and Not-for-profits Regulations 2013.



Dr Leoni Degenhardt AM

Chairperson

Sydney, 13 May 2021

Statement of Profit or Loss and Other Comprehensive Income for the financial period ended 31 December 2020

	Notes	2020 December (18 Months) $	2019 June (12 Months) $
Revenue from Continuing Operations	**3**	302,176	272,077
Net loss from investments		(9,694)	(11,590)
Project expenses		(105,315)	(63,670)
Legal expenses		(91)	(635)
Printing expenses		(4,390)	(1,151)
Travel expenses		(6,695)	(7,350)
Marketing expenses		(3,115)	(3,240)
Salaries and wages		(135,198)	(133,268)
Other expenses		(36,799)	(17,772)
Surplus before tax		879	33,401
Income tax expense	**2(b)**	-	-
Surplus for the year		879	33,401
Other comprehensive income		-	-
Total comprehensive income for the period		879	33,401

Notes to the financial statements are included on pages 7 to 14

Statement of Financial Position as at 31 December 2020

	Notes	2020 December (18 Months) $	2019 June (12 Months) $
Current Assets			
Cash and cash equivalents	**7**	452,002	109,567
Trade and other receivables	**4**	15,888	53,945
Other financial assets	**5**	1,174,062	1,471,596
Total Current Assets		1,641,952	1,635,108
TOTAL ASSETS		1,641,952	1,635,108
LIABILITIES			
Current Liabilities			
Other payables	**6**	22,043	16,078
Total Current Liabilities		22,043	16,078
TOTAL LIABILITIES		22,043	16,078
NET ASSETS		1,619,909	1,619,030
TRUST'S EQUITY			
Accumulated surplus		1,619,909	1,619,030
TOTAL TRUST EQUITY		1,619,909	1,619,030

Notes to the financial statements are included on pages 7 to 14

Statement of Changes in Equity
for the financial period ended 31 December 2020

	Accumulated Surplus $	Total $
Balance as at 30 June 2018	1,585,629	1,585,629
Surplus for the year	33,401	33,401
Other comprehensive income	-	-
Total comprehensive income	33,401	33,401
Balance as at 30 June 2019	1,619,030	1,619,030
Surplus for the period	879	879
Other comprehensive income	-	-
Total comprehensive income for the year	1,619,909	1,619,909
Balance as at 31 December 2020	1,619,909	1,619,909

Notes to the financial statements are included on pages 7 to 14

Statement of Cash Flows
for the financial period ended 31 December 2020

	Notes	2020 December (18 Months) $	2019 June (12 Months) $
Cash flows from operating activities			
Cash receipts in the course of operations		365,993	237,117
Interest received		53,652	44,492
Cash payments in the course of operations		(385,629)	(290,455)
Net cash flows (used in)/generated by operating activities	**7(b)**	34,016	(8,846)
Cash flows from investing activities			
Investments in term deposits		(230,000)	-
Term deposits redeemed		538,419	-
Net cash flows generated by investing activities		308,419	-
Net increase/(decrease) in cash and cash equivalents		342,435	(8,846)
Cash and cash equivalents at beginning of year		109,567	118,413
Cash and cash equivalents at end of year	**7(a)**	452,002	109,567

Notes to the financial statements are included on pages 7 to 14

1. General Information

Mary Ward International Australia Charitable Trust is a trust fund established and operating in Australia.
The Trustee is Mary Ward International Australia Limited.

Mary Ward International Australia Charitable Trust registered office and its principal place of business are as follows:

Registered office	**Principal place of business**
Level 2, 257 Auburn Road,	Level 2, 257 Auburn Road,
Hawthorn East VIC 3123	Hawthorn East VIC 3123
Australia	Australia

2. Statement of significant accounting policies

Financial reporting framework
The Directors of the Trustee company of Mary Ward International Australia Charitable Trust have determined the trust is not a reporting entity because in the opinion of the Directors of the Trustee Company there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this 'special purpose financial report' has been prepared to satisfy the financial reporting requirements under the Australian Charities and Not-for-profits Commission Act 2012.

Statement of compliance
The financial report has been prepared in accordance with the Trust Deed, the recognition and measurement requirements specified by all Accounting Standards and Interpretations, and the disclosure requirements of Accounting Standards AASB 101 'Presentation of Financial Statements', AASB 107 'Cash Flow Statements', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors' and AASB 1054 'Australian Additional Disclosures. For the purposes of preparing the financial statements the trust is a not for-profit entity.

Application of the consolidation and equity accounting requirements
The Trust has no investments in subsidiaries or investments in Associates and Joint Ventures.

Basis of preparation
The financial report has been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

Critical accounting judgements and key sources of estimation uncertainty
In the application of the Trust's accounting policies, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

No key assumptions have been made concerning the future and there are no other key sources of estimation uncertainty at reporting date that management consider have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2. Statement of significant accounting policies (continued)

2.1 Adoption of new and revised Accounting Standards

In the current period, the entity has applied a number of amendments to AASBs and a new Interpretation issued by the Australian Accounting Standards Board (AASB) that are mandatorily effective for an accounting period that begins on or after 1 July 2019, and therefore relevant for the 18 month period end.

<u>AASB 1058 Income of Not-for-Profit Entities and AASB 15 Revenue from Contracts with Customers</u>

In the current period, the Entity has applied AASB 1058 Income of Not-for-Profit Entities and AASB 15 Revenue from Contracts with Customers which are effective for an annual period that begins on or after 1 July 2019.

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, in conjunction with AASB 15. The new income recognition requirements shift the focus from a reciprocal/non-reciprocal basis to a basis of assessment that considers the enforceability of a contract and the specificity of performance obligations.

The core principle of the new income recognition requirements in AASB 1058 is when a NFP entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives, the excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately.

An example of a 'related amount' is AASB 15 and in cases where there is an 'enforceable' contact with a customer with 'sufficiently specific' performance obligations, income is recognised when (or as) the performance obligations are satisfied under AASB 15, as opposed to immediate income recognition under AASB 1058.

Under AASB 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. AASB 15 introduces a 5-step approach to revenue recognition, which is more prescriptive than AASB 118

- Step 1: Identify the contract(s) with a customer.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

The adoption of these standards resulted in no material changes to the financial statements.

<u>AASB 16 Leases</u>

In the current period, the Entity has applied AASB 16 Leases, which is effective for annual periods that begin on or after 1 July 2019.

AASB 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to lessee accounting by removing the distinction between operating and finance lease and requiring the recognition of a right-of-use asset and a lease liability at commencement for all leases, except for short-term leases and leases of low value assets. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged.

The adoption of AASB 16 Leases, has not resulted in any quantifiable adjustments and has no effect on the amounts reported for the current or prior year. This is because the Entity has no long term leases in place.

2. Statement of significant accounting policies (continued)
2.1 Adoption of new and revised Accounting Standards (continued)

<u>Other Pronouncements</u>

The following pronouncements are relevant for the annual reporting period for not-for-profit (NFP) entities preparing special purpose financial statements:

- *AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material*
- *Conceptual Framework for Financial Reporting and AASB 2019-1 Amendments to Australian Accounting Standards – References to the Conceptual Framework*
- *AASB 2019-4 Amendments to Australian Accounting Standards – Disclosures in Special Purpose Financial Statements of Not-for-Profit Private Sector Entities on Compliance with Recognition and Measurement Requirements*
- *AASB 2019-5 Amendments to Australian Accounting Standards – Disclosure of the Effect of New IFRS Standards Not Yet Issued in Australia*

AASB 2019-4 introduces additional disclosures in special purpose financial statements on the compliance with recognition and measurement requirements and is mandatorily effective for the current period (i.e. for the year ending 31 December 2020) for NFP entities.

The application of these amendments did not have any material impact on the disclosures or the amounts recorded in the Entity's financial statements

2.2 Standards and Interpretations in issue not yet effective

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective.

Standard/Interpretation	**Effective for annual reporting periods beginning on or after**
• AASB 2015-10 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and AASB 2017-5 Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 19 and AASB 128 and Editorial Corrections.	1 January 2022 Editorial corrections in AASB 2017-5 applied from 1 January 2018
• AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non- current and AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date.	1 January 2022
• AASB 2020-3 Amendments to Australian accounting Standards – Annual Improvements 2018-2020 and Other Amendments	1 January 2022

The potential effect of the remaining revised Standards/Interpretations on the Entity's financial statements has not yet been determined.

2. Statement of significant accounting policies (continued)

The following significant accounting policies have been adopted in the preparation and presentation of the financial report and are consistent with the previous period, unless otherwise stated:

a) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

b) Income tax

The Trust is exempt from income tax under the provisions of the Income Tax Assessment Act.

c) Impairment of Assets

In respect of not-for-profit entities, where the future economic benefits of an asset are not primarily dependent on the asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of the asset. Depreciated replacement cost is defined as the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. The current replacement cost of an asset is its cost measured by reference to the lowest cost at which the gross future economic benefits of that asset could currently be obtained in the normal course of business.

d) Revenue

When the Entity receives, income that is in the scope of AASB 1058 (being a transactions where the consideration paid to acquire an asset is significantly less than fair value principally to enable the company to further its objectives), it performs an assessment to determine if the contract is 'enforceable' and contains 'sufficiently specific' performance obligations.

In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied. In all other cases the transaction is accounted for under AASB 1058 where the income is recognised upon receipt.

Interest revenue from short term cash investments and term deposits is recognised on a time proportion basis that takes into account the effective yield on the financial asset.

e) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

i. where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
ii. for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables. Cash flows are presented in the statement of cash flows on a gross basis. The component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

2. Statement of significant accounting policies (continued)

f) Financial assets

Recognition and Derecognition

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the financial instrument.

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

Classification of Financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

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

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, the entity may make the following irrevocable election/designation at initial recognition of a financial asset:

- The entity may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- The entity may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Initial measurement of financial assets

Financial assets are classified according to their business model and the characteristics of their contractual cash flows. Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs.

Impairment of financial assets

The entity recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables and contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

2. Statement of significant accounting policies (continued)

f) Financial assets (continued)

Trade and other receivables

The entity 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. In using this practical expedient, the entity uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

Subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets, other than those designated and effective as hedging instruments, are classified into the following four categories:

(i) Financial assets at amortised cost
(ii) Debt instruments at fair value through other comprehensive income (FVTOCI)
(iii) Equity instruments at FVTPL
(iv) Financial assets at FVTPL

The first two categories are applicable and are described further below.

(i) Financial assets at amortised cost

Term deposits held for the purpose of collecting principal and interest payments are measured using initially at amortised cost applying the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

(ii) Financial assets at fair value through profit or loss (FVTPL)

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship.

The fair value of investments in equity securities is their quoted closing price at the reporting date.

The fair value of unlisted investments comprising units in unit trusts are determined by reference to the bid unit prices at the close of business at eh end of the reporting period as established by the unit trusts' trustee.

g) Financial liabilities

Trade and other payables
Trade payables and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Trust prior to the end of the financial period that are unpaid and arise when the Trust becomes obliged to make future payments in respect of the purchase of these goods and services.

h) Comparative information

The entity changed its year end from 30 June to 31 December to be consistent with other associated Loreto entities. As a result, these financial statements are for an 18 month period from 1 July 2019 to 31 December 2020. The comparatives are for the period 1 July 2018 to 30 June 2019.

	2020 December (18 Months) $	2019 June (12 Months) $

3. Revenue

	2020 December (18 Months) $	2019 June (12 Months) $
a) Finance income		
Interest income from investments	47,365	92,076
b) Other income		
Income from donations	196,218	112,315
Other income	58,593	67,686
Total other income	254,811	179,752
Total revenue from continuing operations	302,176	272,077

4. Trade and Other Receivables

	2020 December (18 Months) $	2019 June (12 Months) $
Interest receivable	983	27,848
Other receivables	14,905	26,097
	15,888	53,945

5. Other financial assets

	2020 December (18 Months) $	2019 June (12 Months) $
Financial assets carried at fair value through profit and loss	489,062	478,178
Investments at amortised cost – term deposits	685,000	993,418
	1,174,062	1,471,596

6. Other payables

	2020 December (18 Months) $	2019 June (12 Months) $
Other payables	22,043	16,078
	22,043	16,078

	2020 December (18 Months) $	2019 June (12 Months) $

7. Notes to the statement of cash flows

(a) Reconciliation of cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments. Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	2020 December (18 Months) $	2019 June (12 Months) $
Cash and cash equivalents	452,002	109,567

(b) Reconciliation of surplus for the year to net cash flows from operating activities

	2020 December (18 Months) $	2019 June (12 Months) $
Total surplus for the year	879	33,401
Dividends reinvested	(20,578)	(46,849)
Loss on Sale of investments	-	41
Unrealised loss in fair value of investments	9,693	11,550
Net cash (used in)/generated by operating activities before changes in assets and liabilities	(10,006)	(1,857)
Changes in net assets and liabilities:		
Decrease/(increase) in trade and other receivables	38,057	(7,617)
Increase/(decrease) in other payables	5,965	628
Net cash (used in)/generated by operating activities	34,016	(8,846)

8. Remuneration of auditors

	2020 December (18 Months) $	2019 June (12 Months) $
Amounts paid or payable to Deloitte Touche Tohmatsu for audit of the financial report:	4,000	3,400
	4,000	3,400

9. Subsequent events

There has not been any matter or circumstance occurring subsequent to the end of the financial period that has significantly affected, or may significantly affect, the operations of the Trust, the results of those operations, or the state of affairs of the Trust in future financial years.

10. Contingent liabilities

As at 31 December 2020, there were no contingent liabilities (June 2019: Nil).

Deloitte Touche Tohmatsu
A.C.N. 74 490 121 060

477 Collins Street
Melbourne VIC 3000
GPO Box 78
Melbourne VIC 3001
Australia

DX 111
Tel: +61 (0) 3 9671 7000
Fax: +61 (0) 3 9671 7001
www.deloitte.com.au

Directors of the Trustee Entity
Mary Ward International Australia Charitable Trust
Level 2
257 Auburn Road
Hawthorn East VIC 3123

13 May 2021

Dear Directors

Auditor's Independence Declaration to Mary Ward International Australia Charitable Trust

In accordance with financial requirements of the Directors of the Trustee company, I am pleased to provide the following declaration of independence to the Trustees of Mary Ward International Australia Charitable Trust.

As lead audit partner for the audit of the financial statements of Mary Ward International Australia Charitable Trust for the period ended 31 December 2020, 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 Act 2012 (Cth)* (the ACNC Act) in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours faithfully

Deloitte Touche Tohmatsu

Deloitte Touche Tohmatsu

Lefevre

Isabelle Lefevre
Lead Audit Partner

Deloitte.

Deloitte Touche Tohmatsu
A.C.N. 74 490 121 060

477 Collins Street
Melbourne VIC 3000
GPO Box 78
Melbourne VIC 3001
Australia

DX 111
Tel: +61 (0) 3 9671 7000
Fax: +61 (0) 3 9671 7001
www.deloitte.com.au

Independent Auditor's Report to the Trustees of Mary Ward International Australia Charitable Trust

Opinion

We have audited the financial report, being a special purpose financial report of Mary Ward International Australia Charitable Trust (the "Entity") which comprises the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the 18 months then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information and the Trustees' declaration as set out on pages 1 to 12.

In our opinion the accompanying financial report of the Entity is 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 Entity's financial position as at 31 December 2020 and of its financial performance for the 18 months then ended; and

b) complying with Australian Accounting Standards to the extent described in note 2 and Division 60 of the *ACNC Act.*

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Entity in accordance with the auditor independence requirements of the ACNC Act and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the "Code") that are relevant to our audit of the financial report and compliance with the financial reporting requirements of the ACFID Code of Conduct. 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 and Restriction on Distribution and Use

We draw attention to Note 3 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Trustees financial reporting requirements under the ACNC Act. Our report is intended solely for the Trustees and the Australian Charities and Not for Profits Commission (ACNC) and should not be distributed or used by parties other than the Trustees and the ACNC. Our opinion is not modified in respect of this matter.

Other Information

The Trustees are responsible for the other information. The other information comprises the information included in the Directors report, but does not include the financial report and our auditor's report thereon.

Deloitte.

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

In connection with our audit of the financial report, our responsibility is to read the other information 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, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Trustee's for the Financial Report

The Trustees are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation and accounting policies in Note 2 of the financial report is appropriate to meet the requirements of the ACNC Act and the needs of the Trustees. The Trustees responsibility also includes such internal control as the Trustees 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 Trustees are responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.

- 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.

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

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Lefevre

Isabelle Lefevre
Partner
Chartered Accountants
Melbourne, 13 May 2021

Registered company auditor: 216381

MARY WARD INTERNATIONAL AUSTRALIA

A.B.N. 95 185 481 919

Special purpose financial report for the financial year ended 31 December 2020

Special purpose financial report for the financial period ended 31 December 2020

Contents Page

Trustee's Declaration

As detailed in Note 2 to the financial statements, the Trust is not a reporting entity because in the opinion of the directors of the trustee company there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this 'special purpose financial report' has been prepared to satisfy the trustees' reporting requirements under the Australian Charities and Not-for-profits Commission Act 2012.

The directors of the trustee company declare that:
(a) in the directors' opinion, there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable; and
(b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Trust.

On behalf of the Directors of the trustee company pursuant to section 60.15 of the Australian Charities and Not-for-profits Regulations 2013.

Dr Leoni Degenhardt AM
Chairperson

Sydney, 13 May 2021

Statement of Profit or Loss and Other Comprehensive Income for the financial period ended 31 December 2020

	Notes	2020 December (18 Months) $	2019 June (12 Months) $
Revenue	**3**	347,393	303,324
Projects expenditure		(347,685)	(197,705)
Travel		(6,006)	(6,297)
Marketing		(3,210)	(3,240)
Salaries and wages		(135,198)	(133,268)
Other expenses		(41,994)	(17,030)
Loss before income tax		(186,700)	(54,216)
Income tax expense	**2(b)**	-	-
Loss for the period		(186,700)	(54,216)
Other comprehensive income			-
Total Comprehensive Loss for the period		(186,700)	(54,216)

Notes to the financial statements are included on pages 7 to 12.

Statement of Financial Position as at 31 December 2020

	Notes	2020 December (18 Months) $	2019 June (12 Months) $
ASSETS			
Current Assets			
Cash and cash equivalents	**4**	155,823	107,441
Other financial assets	**5**	1,560,380	1,790,380
Trade and other receivables		2,273	10,256
Total Current Assets		1,718,476	1,908,077
TOTAL ASSETS		1,718,476	1,908,077
LIABILITIES			
Current Liabilities			
Trade and other payables		21,406	24,307
TOTAL LIABILITIES		21,406	24,307
NET ASSETS		1,697,070	1,883,770
TRUST’S EQUITY			
Accumulated surplus		1,697,070	1,883,770
TOTAL TRUST’S EQUITY		1,697,070	1,883,770

Notes to the financial statements are included on pages 7 to 12.

Statement of Changes in Equity
for the financial year ended 31 December 2020

	Accumulated Surplus $	Total $
Balance as at 30 June 2018	1,937,986	1,937,986
Loss from continuing operations	(54,216)	(54,216)
Other comprehensive income	-	-
Total comprehensive loss	(54,216)	(54,216)
Balance as at 30 June 2019	1,883,770	1,883,770
Loss from continuing operations	(186,700)	(186,700)
Other comprehensive income	-	-
Total comprehensive loss	(186,700)	(186,700)
Balance as at 31 December 2020	1,697,070	1,697,070

Notes to the financial statements are included on pages 7 to 12.

Statement of Cash Flows
for the financial period ended 31 December 2020

	Notes	2020 December (18 Months) $	2019 June (12 Months) $
Cash flows from operating activities			
Cash receipts in the course of operations		313,966	256,769
Interest received		42,121	41,679
Cash payments in the course of operations		(537,705)	(351,323)
Net cash flows used in operating activities	**4(b)**	(181,618)	(52,875)
Cash flows from investing activities			
Investments in term deposits		(830,380)	(180,000)
Term deposits redeemed		1,060,380	50,000
Net cash flows generated by/(used in) investing activities		230,000	(130,000)
Net increase/(decrease) in cash and cash equivalents		48,382	(182,875)
Cash and cash equivalents at beginning of year		107,441	290,316
Cash and cash equivalents at end of year	**4(a)**	155,823	107,441

Notes to the financial statements are included on pages 7 to 12.

1. General Information

Mary Ward International Australia is a trust fund established and operating in Australia.

The Trustee is Mary Ward International Australia Limited.

Mary Ward International Australia's registered office and its principal place of business are as follows:

Registered office	**Principal place of business**
Level 2, 257 Auburn Road,	Level 2, 257 Auburn Road,
Hawthorn East VIC 3123	Hawthorn East VIC 3123
Australia	Australia

2. Statement of significant accounting policies

Financial reporting framework
The directors of the trustee company of Mary Ward International Australia have determined the Trust is not a reporting entity because in the opinion of the Trustees there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this 'special purpose financial report' has been prepared to satisfy the financial reporting requirements under the Australian Charities and Not-for-profits Commission Act 2012 and the Australian Council for International Development (ACFID) Code of Conduct.

Statement of compliance
The financial report has been prepared in accordance with the Trust Deed, the recognition and measurement requirements specified by all Accounting Standards and Interpretations, and the disclosure requirements of Accounting Standards AASB 101 'Presentation of Financial Statements', AASB 107 'Cash Flow Statements', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors' and AASB 1054 'Australian Additional Disclosures'.

For the purposes of preparing the financial statements the trust is a not for-profit entity.

Application of the consolidation and equity accounting requirements
The Trust has no investments in subsidiaries or investments in Associates and Joint Ventures.

Basis of preparation
The financial report has been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

Critical accounting judgements and key sources of estimation uncertainty
In the application of the Trust's accounting policies, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

No key assumptions have been made concerning the future and there are no other key sources of estimation uncertainty at the balance date that the management consider have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

.

2. Statement of significant accounting policies (continued)

2.1 Adoption of new and revised Accounting Standards

In the current period, the entity has applied a number of amendments to AASBs and a new Interpretation issued by the Australian Accounting Standards Board (AASB) that are mandatorily effective for an accounting period that begins on or after 1 July 2019, and therefore relevant for the 18 month period end.

AASB 1058 Income of Not-for-Profit Entities and AASB 15 Revenue from Contracts with Customers

In the current period, the Entity has applied AASB 1058 Income of Not-for-Profit Entities and AASB 15 Revenue from Contracts with Customers which are effective for an annual period that begins on or after 1 July 2019.

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, in conjunction with AASB 15. The new income recognition requirements shift the focus from a reciprocal/non-reciprocal basis to a basis of assessment that considers the enforceability of a contract and the specificity of performance obligations.

The core principle of the new income recognition requirements in AASB 1058 is when a NFP entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives, the excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately.

An example of a 'related amount' is AASB 15 and in cases where there is an 'enforceable' contact with a customer with 'sufficiently specific' performance obligations, income is recognised when (or as) the performance obligations are satisfied under AASB 15, as opposed to immediate income recognition under AASB 1058.

Under AASB 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. AASB 15 introduces a 5-step approach to revenue recognition, which is more prescriptive than AASB 118

- Step 1: Identify the contract(s) with a customer.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

The adoption of these standards resulted in no material changes to the financial statements.

AASB 16 Leases

In the current period, the Entity has applied AASB 16 Leases, which is effective for annual periods that begin on or after 1 July 2019.

AASB 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to lessee accounting by removing the distinction between operating and finance lease and requiring the recognition of a right-of-use asset and a lease liability at commencement for all leases, except for short-term leases and leases of low value assets. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged.

The adoption of AASB 16 Leases, has not resulted in any quantifiable adjustments and has no effect on the amounts reported for the current or prior year. This is because the Entity has no long term leases in place.

2. Statement of significant accounting policies (continued)
2.1 Adoption of new and revised Accounting Standards (continued)

<u>Other Pronouncements</u>

The following pronouncements are relevant for the annual reporting period for not-for-profit (NFP) entities preparing special purpose financial statements:

- *AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material*
- *Conceptual Framework for Financial Reporting and AASB 2019-1 Amendments to Australian Accounting Standards – References to the Conceptual Framework*
- *AASB 2019-4 Amendments to Australian Accounting Standards – Disclosures in Special Purpose Financial Statements of Not-for-Profit Private Sector Entities on Compliance with Recognition and Measurement Requirements*
- *AASB 2019-5 Amendments to Australian Accounting Standards – Disclosure of the Effect of New IFRS Standards Not Yet Issued in Australia*

AASB 2019-4 introduces additional disclosures in special purpose financial statements on the compliance with recognition and measurement requirements and is mandatorily effective for the current period (i.e. for the year ending 31 December 2020) for NFP entities.

The application of these amendments did not have any material impact on the disclosures or the amounts recorded in the Entity's financial statements

2.2 Standards and Interpretations in issue not yet effective

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective.

Standard/Interpretation	**Effective for annual reporting periods beginning on or after**
• AASB 2015-10 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and AASB 2017-5 Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 19 and AASB 128 and Editorial Corrections.	1 January 2022 Editorial corrections in AASB 2017-5 applied from 1 January 2018
• AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non- current and AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date.	1 January 2022
• AASB 2020-3 Amendments to Australian accounting Standards – Annual Improvements 2018-2020 and Other Amendments	1 January 2022

The potential effect of the remaining revised Standards/Interpretations on the Entity's financial statements has not yet been determined.

2. Statement of significant accounting policies (continued)

The following significant accounting policies have been adopted in the preparation and presentation of the financial report and are consistent with the previous period, unless otherwise stated:

a) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

b) Income tax

The Trust is exempt from income tax under the provisions of the Income Tax Assessment Act.

c) Impairment of Assets

In respect of not-for-profit entities, where the future economic benefits of an asset are not primarily dependent on the asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of the asset. Depreciated replacement cost is defined as the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. The current replacement cost of an asset is its cost measured by reference to the lowest cost at which the gross future economic benefits of that asset could currently be obtained in the normal course of business.

d) Revenue

When the Entity receives, income that is in the scope of AASB 1058 (being a transactions where the consideration paid to acquire an asset is significantly less than fair value principally to enable the company to further its objectives), it performs an assessment to determine if the contract is 'enforceable' and contains 'sufficiently specific' performance obligations.

In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied. In all other cases the transaction is accounted for under AASB 1058 where the income is recognised upon receipt.

Interest revenue from short term cash investments and term deposits is recognised on a time proportion basis that takes into account the effective yield on the financial asset.

e) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

i. where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
ii. for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables. Cash flows are presented in the statement of cash flows on a gross basis. The component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

2. Statement of significant accounting policies (continued)

f) Financial assets

Loans and receivables

Trade receivables, loans, and other receivables are measured at amortised cost using the effective interest method less impairment.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investment have been impacted.

g) Financial liabilities

Trade and other payables

Trade payables and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Trust prior to the end of the financial period that are unpaid and arise when the Trust becomes obliged to make future payments in respect of the purchase of these goods and services.

h) Comparative information

The entity changed its year end from 30 June to 31 December to be consistent with other associated Loreto entities. As a result, these financial statements are for an 18 month period from 1 July 2019 to 31 December 2020. The comparatives are for the period 1 July 2018 to 30 June 2019.

	2020 December (18 Months) $	2019 June (12 Months) $
3. Revenue		
a) Finance income		
Interest income from investments	34,138	46,638
b) Other income		
Donation revenue	218,292	206,685
Project expenditure refunded	50,000	-
Other Income	44,963	50,001
Total other income	313,255	256,686
Total Revenue	347,393	303,324

4. Notes to the cash flow statement

(a) Reconciliation of cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments. Cash and cash equivalents at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the statement of financial position as follows:

Cash and cash equivalents	155,823	107,441

(b) Reconciliation from the (loss)/surplus to the net cash flows from operations

Net loss	(186,700)	(54,216)
Decrease/(Increase) in debtors	7,983	(4,959)
Increase/(Decrease) in liabilities	(2,901)	6,300
Net cash used in operating activities	(181,618)	(52,875)

5. Other financial assets

Investments – term deposits	1,560,380	1,790,380

6. Remuneration of auditor

Audit of the financial report	2,000	-

The prior period audit was conducted on a pro bono basis. The auditor is Deloitte Touche Tohmatsu

7. Subsequent events
There has not been any matter or circumstance occurring subsequent to the end of the financial period that has significantly affected, or may significantly affect, the operations of the Trust, the results of those operations, or the state of affairs of the Trust in future financial years.

8. Contingent liabilities

As at 31 December 2020, there were no contingent liabilities (30 June 2019: Nil).

Deloitte Touche Tohmatsu
A.C.N. 74 490 121 060

477 Collins Street
Melbourne VIC 3000
GPO Box 78
Melbourne VIC 3001
Australia

DX 111
Tel: +61 (0) 3 9671 7000
Fax: +61 (0) 3 9671 7001
www.deloitte.com.au

Directors of the Trustee Entity
Mary Ward International Australia
Level 2
257 Auburn Road
Hawthorn East VIC 3123

13 May 2021

Dear Directors

Auditor's Independence Declaration to Mary Ward International Australia

In accordance with financial requirements of the Directors of the Trustee company, I am pleased to provide the following declaration of independence to the Trustees of Mary Ward International Australia.

As lead audit partner for the audit of the financial statements of Mary Ward International Australia Charitable Trust for the period ended 31 December 2020, 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 Act 2012 (Cth)* (the ACNC Act) in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours faithfully

Deloitte Touche Tohmatsu

Deloitte Touche Tohmatsu

Isabelle Lefevre
Lead Audit Partner

Deloitte Touche Tohmatsu
A.C.N. 74 490 121 060

477 Collins Street
Melbourne VIC 3000
GPO Box 78
Melbourne VIC 3001
Australia

DX 111
Tel: +61 (0) 3 9671 7000
Fax: +61 (0) 3 9671 7001
www.deloitte.com.au

Independent Auditor's Report to the Trustees of Mary Ward International Australia

Opinion

We have audited the financial report, being a special purpose financial report of Mary Ward International Australia (the "Entity") which comprises the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the 18 months then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information and the Trustees' declaration as set out on pages 1 to 12.

In our opinion the accompanying financial report of the Entity is 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 Entity's financial position as at 31 December 2020 and of its financial performance for the 18 months then ended; and

b) complying with Australian Accounting Standards to the extent described in note 2 and Division 60 of the *ACNC Act.*

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Entity in accordance with the auditor independence requirements of the ACNC Act and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the "Code") that are relevant to our audit of the financial report and compliance with the financial reporting requirements of the ACFID Code of Conduct. 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 and Restriction on Distribution and Use

We draw attention to Note 2 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Trustees financial reporting requirements under the ACNC Act. Our report is intended solely for the Trustees and the Australian Charities and Not for Profits Commission (ACNC) and should not be distributed or used by parties other than the Trustees and the ACNC. Our opinion is not modified in respect of this matter.

Other Information

The Trustees are responsible for the other information. The other information comprises the information included in the Directors report, but does not include the financial report and our auditor's report thereon.

Deloitte.

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

In connection with our audit of the financial report, our responsibility is to read the other information 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, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Trustees for the Financial Report

The Trustees are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation and accounting policies in Note 2 of the financial report is appropriate to meet the requirements of the ACNC Act and the needs of the Trustees. The Trustees responsibility also includes such internal control as the Trustees 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 Trustees are responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.

- 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.

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

Deloitte Touche Tohmatsu
DELOITTE TOUCHE TOHMATSU

Lefevre

Isabelle Lefevre
Partner
Chartered Accountants
Melbourne, 13 May 2021

Registered company auditor: 216381

MARY WARD INTERNATIONAL Australia Overseas Development Fund

A.B.N. 66 701 240 336

Special purpose financial report for the financial period ended 31 December 2020

Special purpose financial report for the financial period ended 31 December 2020

Contents Page

Trustee's Declaration

As detailed in Note 2 to the financial statements, the Mary Ward International Australia Overseas Development Fund is not a reporting entity because in the opinion of the directors of the trustee company there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this 'special purpose financial report' has been prepared to satisfy the trustees' reporting requirements under the Australian Charities and Not-for-profits Commission Act 2012.

The directors of the trustee company declare that:

(a) in the directors' opinion, there are reasonable grounds to believe that the Mary Ward International Australia Overseas Development Fund will be able to pay its debts as and when they become due and payable; and

(b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Trust.

On behalf of the Directors of the trustee company pursuant to section 60.15 of the Australian Charities and Not-for-profits Regulations 2013.

Dr Leoni Degenhardt AM
Chairperson

Sydney, 13 May 2021

Statement of Profit or Loss and Other Comprehensive Income for the financial period ended 31 December 2020

	Notes	2020 December (18 Months) $	2019 June (12 Months) $
Revenue	**3**	1,031,274	617,726
FX loss		(10,566)	-
Project expenditures		(991,780)	(244,666)
Marketing		(3,115)	(3,240)
Legal Cost		(92)	(635)
Salaries and Wages		(225,948)	-
Other Expenses		(45,639)	(25,953)
(Loss)/Profit before income tax		(245,866)	343,232
Income tax expense	**2(b)**	-	-
(Loss)/Profit for the period		(245,866)	343,232
Other comprehensive income		-	-
Total Comprehensive (Loss)/Income for the period		(245,866)	343,232

Notes to the financial statements are included on pages 7 to 12.

Statement of Financial Position as at 31 December 2020

	Notes	2020 December (18 Months) $	2019 June (12 Months) $
ASSETS			
Current Assets			
Cash and cash equivalents	**4**	139,965	169,866
Other financial assets	**5**	100,000	250,000
Trade and other receivables		374	331
Total Current Assets		240,339	420,197
TOTAL ASSETS		240,339	420,197
LIABILITIES			
Current Liabilities			
Trade and other payables		77,226	11,218
TOTAL LIABILITIES		77,226	11,218
NET ASSETS		163,113	408,979
TRUST'S EQUITY			
Accumulated surplus		163,113	408,979
TOTAL TRUST'S EQUITY		163,113	408,979

Notes to the financial statements are included on pages 7 to 12.

Statement of Changes in Equity
for the financial period ended 31 December 2020

	Accumulated Surplus $	Total $
Balance as at 30 June 2018	65,747	65,747
Surplus from continuing operations	343,232	343,232
Other comprehensive income	-	-
Total comprehensive surplus	343,232	343,232
Balance as at 30 June 2019	408,979	408,979
Loss from continuing operations	(245,866)	(245,866)
Other comprehensive income	-	-
Total comprehensive loss	(245,866)	(245,866)
Balance as at 31 December 2020	163,113	163,113

Notes to the financial statements are included on pages 7 to 12.

Statement of Cash Flows
for the financial period ended 31 December 2020

	Notes	2020 December (18 Months) $	2019 June (12 Months) $
Cash flows from operating activities			
Cash receipts in the course of operations		1,027,483	616,347
Interest received		4,386	2,609
Cash payments in the course of operations		(1,211,770)	(271,295)
Net cash flows (used in)/generated by operating activities	**4(b)**	(179,901)	347,661
Cash flows from investing activities			
Net Cash (invested in)/received from term deposits		150,000	(250,000)
Net cash flows generated by/(used in) investing activities		150,000	(250,000)
Net (decrease)/increase in cash and cash equivalents		(29,901)	97,661
Cash and cash equivalents at beginning of year		169,866	72,205
Cash and cash equivalents at end of period	**4(a)**	139,965	169,866

Notes to the financial statements are included on pages 7 to 12.

1. General Information

Mary Ward International Australia Overseas Development Fund is a trust fund established and operating in Australia. The Trust commenced trading on 1 July 2014.

The Trustee is Mary Ward International Australia Limited.

Mary Ward International Australia Overseas Development Fund registered office and its principal place of business are as follows:

Registered office	**Principal place of business**
Level 2, 257 Auburn Road,	Level 2, 257 Auburn Road,
Hawthorn East VIC 3123	Hawthorn East VIC 3123
Australia	Australia

2. Statement of significant accounting policies

Financial reporting framework
The Directors of the trustee company of Mary Ward International Australia Overseas Development Fund have determined the Overseas Development Fund is not a reporting entity because in the opinion of the Directors there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this ‘special purpose financial report’ has been prepared to satisfy the financial reporting requirements under the Australian Charities and Not-for-profits Commission Act 2012.

Statement of compliance
The financial report has been prepared in accordance with the Trust Deed, the recognition and measurement requirements specified by all Accounting Standards and Interpretations, and the disclosure requirements of Accounting Standards AASB 101 ‘Presentation of Financial Statements’, AASB 107 ‘Cash Flow Statements’, AASB 108 ‘Accounting Policies, Changes in Accounting Estimates and Errors’ and AASB 1054 ‘Australian Additional Disclosures’. For the purposes of preparing the financial statements the trust is a not for-profit entity.

Application of the consolidation and equity accounting requirements
The Trust has no investments in subsidiaries or investments in Associates and Joint Ventures.

Basis of preparation
The financial report has been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

Critical accounting judgements and key sources of estimation uncertainty
In the application of the Overseas Development Fund’s accounting policies, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

No key assumptions have been made concerning the future and there are no other key sources of estimation uncertainty at the balance date that management consider have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2. Statement of significant accounting policies (continued)

2.1 Adoption of new and revised Accounting Standards

In the current period, the entity has applied a number of amendments to AASBs and a new Interpretation issued by the Australian Accounting Standards Board (AASB) that are mandatorily effective for an accounting period that begins on or after 1 July 2019, and therefore relevant for the 18 month period end.

AASB 1058 Income of Not-for-Profit Entities and AASB 15 Revenue from Contracts with Customers

In the current period, the Entity has applied AASB 1058 Income of Not-for-Profit Entities and AASB 15 Revenue from Contracts with Customers which are effective for an annual period that begins on or after 1 July 2019.

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, in conjunction with AASB 15. The new income recognition requirements shift the focus from a reciprocal/non-reciprocal basis to a basis of assessment that considers the enforceability of a contract and the specificity of performance obligations.

The core principle of the new income recognition requirements in AASB 1058 is when a NFP entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives, the excess of the asset recognised (at fair value) over any ‘related amounts’ is recognised as income immediately.

An example of a ‘related amount’ is AASB 15 and in cases where there is an ‘enforceable’ contact with a customer with ‘sufficiently specific’ performance obligations, income is recognised when (or as) the performance obligations are satisfied under AASB 15, as opposed to immediate income recognition under AASB 1058.

Under AASB 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. AASB 15 introduces a 5-step approach to revenue recognition, which is more prescriptive than AASB 118

- Step 1: Identify the contract(s) with a customer.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

The adoption of these standards resulted in no material changes to the financial statements.

AASB 16 Leases

In the current period, the Entity has applied AASB 16 Leases, which is effective for annual periods that begin on or after 1 July 2019.

AASB 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to lessee accounting by removing the distinction between operating and finance lease and requiring the recognition of a right-of-use asset and a lease liability at commencement for all leases, except for short-term leases and leases of low value assets. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged.

The adoption of AASB 16 Leases, has not resulted in any quantifiable adjustments and has no effect on the amounts reported for the current or prior year. This is because the Entity has no long term leases in place.

2. Statement of significant accounting policies (continued)
2.1 Adoption of new and revised Accounting Standards (continued)

Other Pronouncements

The following pronouncements are relevant for the annual reporting period for not-for-profit (NFP) entities preparing special purpose financial statements:

- *AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material*
- *Conceptual Framework for Financial Reporting and AASB 2019-1 Amendments to Australian Accounting Standards – References to the Conceptual Framework*
- *AASB 2019-4 Amendments to Australian Accounting Standards – Disclosures in Special Purpose Financial Statements of Not-for-Profit Private Sector Entities on Compliance with Recognition and Measurement Requirements*
- *AASB 2019-5 Amendments to Australian Accounting Standards – Disclosure of the Effect of New IFRS Standards Not Yet Issued in Australia*

AASB 2019-4 introduces additional disclosures in special purpose financial statements on the compliance with recognition and measurement requirements and is mandatorily effective for the current period (i.e. for the year ending 31 December 2020) for NFP entities.

The application of these amendments did not have any material impact on the disclosures or the amounts recorded in the Entity's financial statements

2.2 Standards and Interpretations in issue not yet effective

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective.

Standard/Interpretation	**Effective for annual reporting periods beginning on or after**
• AASB 2015-10 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and AASB 2017-5 Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 19 and AASB 128 and Editorial Corrections.	1 January 2022 Editorial corrections in AASB 2017-5 applied from 1 January 2018
• AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non- current and AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date.	1 January 2022
• AASB 2020-3 Amendments to Australian accounting Standards – Annual Improvements 2018-2020 and Other Amendments	1 January 2022

The potential effect of the remaining revised Standards/Interpretations on the Entity's financial statements has not yet been determined

2. Statement of significant accounting policies (continued)

The following significant accounting policies have been adopted in the preparation and presentation of the financial report and are consistent with the previous period, unless otherwise stated:

a) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

b) Income tax

The Overseas Development Fund is exempt from income tax under the provisions of the Income Tax Assessment Act.

c) Impairment of Assets

In respect of not-for-profit entities, where the future economic benefits of an asset are not primarily dependent on the asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of the asset. Depreciated replacement cost is defined as the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. The current replacement cost of an asset is its cost measured by reference to the lowest cost at which the gross future economic benefits of that asset could currently be obtained in the normal course of business.

d) Revenue

When the Entity receives, income that is in the scope of AASB 1058 (being a transactions where the consideration paid to acquire an asset is significantly less than fair value principally to enable the company to further its objectives), it performs an assessment to determine if the contract is 'enforceable' and contains 'sufficiently specific' performance obligations.

In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied. In all other cases the transaction is accounted for under AASB 1058 where the income is recognised upon receipt.

Interest revenue from short term cash investments and term deposits is recognised on a time proportion basis that takes into account the effective yield on the financial asset.

e) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

i. where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
ii. for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables. Cash flows are presented in the statement of cash flows on a gross basis. The component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

2. Statement of significant accounting policies (continued)

f) Financial assets

Loans and receivables

Trade receivables, loans, and other receivables are measured at amortised cost using the effective interest method less impairment.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investment have been impacted.

g) Financial liabilities

Trade and other payables

Trade payables and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Trust prior to the end of the financial year that are unpaid and arise when the Trust becomes obliged to make future payments in respect of the purchase of these goods and services.

h) Comparative information

The entity changed its year end from 30 June to 31 December to be consistent with other associated Loreto entities. As a result, these financial statements are for an 18 month period from 1 July 2019 to 31 December 2020. The comparatives are for the period 1 July 2018 to 30 June 2019.

	2020 December (18 Months) $	2019 June (12 Months) $
3. Revenue		
a) Finance income		
Interest income from investments	4,424	2,938
b) Other income		
Income from Donations	649,483	520,085
Other Income	377,367	94,703
Total other income	1,026,850	614,788
Total Revenue	1,031,274	617,726

4. Notes to the cash flow statement

(a) Reconciliation of cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments. Cash and cash equivalents at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the statement of financial position as follows:

Cash and cash equivalents	139,965	169,866

(b) Reconciliation from the surplus to the net cash flows from operations

Net surplus/(loss)	(245,866)	343,232
Increase in trade and other receivables	(43)	(329)
Increase in trade and other payables	66,008	4,758
Net cash generated by/(used in) operating activities	(179,901)	347,661

5. Other financial assets

Investments – term deposits	100,000	250,000

6. Remuneration of auditor

Audit of the financial report	4,000	3,400

The auditor is Deloitte Touche Tohmatsu

7. Subsequent events

There has not been any matter or circumstance occurring subsequent to the end of the financial period that has significantly affected, or may significantly affect, the operations of Overseas Development Fund, the results of those operations, or the state of affairs of the Trust in future financial years

8. Contingent liabilities
As at 31 December 2020 , there were no contingent liabilities (30 June 2019: Nil)

Deloitte Touche Tohmatsu
A.C.N. 74 490 121 060

477 Collins Street
Melbourne VIC 3000
GPO Box 78
Melbourne VIC 3001
Australia

DX 111
Tel: +61 (0) 3 9671 7000
Fax: +61 (0) 3 9671 7001
www.deloitte.com.au

Directors of the Trustee entity
Mary Ward International Australia Overseas Development Fund
Level 2
257 Auburn Road
Hawthorn East VIC 3123

13 May 2021

Dear Directors

Auditor's Independence Declaration to Mary Ward International Australia Overseas Development Fund

In accordance with financial requirements of the Directors of the Trustee company, I am pleased to provide the following declaration of independence to the Trustees of Mary Ward International Australia Overseas Development Fund.

As lead audit partner for the audit of the financial statements of Mary Ward International Australia Overseas Development Fund for the period ended 31 December 2020, 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 Act 2012 (Cth)* (the ACNC Act) in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours faithfully

Deloitte Touche Tohmatsu

Deloitte Touche Tohmatsu

Lefevre

Isabelle Lefevre
Lead Audit Partner

Deloitte.

Deloitte Touche Tohmatsu
A.C.N. 74 490 121 060

477 Collins Street
Melbourne VIC 3000
GPO Box 78
Melbourne VIC 3001
Australia

DX 111
Tel: +61 (0) 3 9671 7000
Fax: +61 (0) 3 9671 7001
www.deloitte.com.au

Independent Auditor's Report to the Trustees of Mary Ward International Australia Overseas Development Fund

Opinion

We have audited the financial report, being a special purpose financial report of Mary Ward International Australia Overseas Development Fund (the "Entity") which comprises the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the 18 months then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information and the Trustees' declaration as set out on pages 1 to 11.

In our opinion the accompanying financial report of the Entity is 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 Entity's financial position as at 31 December 2020 and of its financial performance for the 18 months then ended; and

b) complying with Australian Accounting Standards to the extent described in note 2 and Division 60 of the *ACNC Act.*

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Entity in accordance with the auditor independence requirements of the ACNC Act and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the "Code") that are relevant to our audit of the financial report and compliance with the financial reporting requirements of the ACFID Code of Conduct. 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 and Restriction on Distribution and Use

We draw attention to Note 3 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Trustees financial reporting requirements under the ACNC Act. Our report is intended solely for the Trustees and the Australian Charities and Not for Profits Commission (ACNC) and should not be distributed or used by parties other than the Directors and the ACNC. Our opinion is not modified in respect of this matter.

Deloitte.

Other Information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees report, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information 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, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Trustee's for the Financial Report

The Trustees are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation and accounting policies in Note 2 of the financial report is appropriate to meet the requirements of the ACNC Act and the needs of the Trustees. The Trustees responsibility also includes such internal control as the Trustees 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 Trustees are responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Truestees either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.

- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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.

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

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Lefevre

Isabelle Lefevre
Partner
Chartered Accountants
Melbourne, 13 May 2021

Registered company auditor: 216381