

SEAFARER'S WELFARE FUND

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDING 31 DECEMBER 2017

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SEAFARER'S WELFARE FUND

**STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDING 31 DECEMBER 2017**

	Note	2017 \$	2016 \$
Revenue:			
Gifts and donations		104,127	104,745
Trust income		1,389	1,476
Membership		77	-
Interest		79	183
Pledge partnerships		-	30,000
		<u>105,672</u>	<u>136,404</u>
Expenses:			
Distributions to Mission to Seafarers		99,000	182,907
Bank services charges		681	660
Writeoff		(165)	-
		<u>99,516</u>	<u>183,567</u>
Net surplus (loss) for the year		<u><u>6,156</u></u>	<u><u>(47,163)</u></u>

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

SEAFARER'S WELFARE FUND
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

	Note	2017 \$	2016 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	21,078	17,692
Trade and other receivables		<u>43,514</u>	<u>1,844</u>
TOTAL CURRENT ASSETS		<u>64,592</u>	<u>19,536</u>
TOTAL ASSETS		<u><u>64,592</u></u>	<u><u>19,536</u></u>
LIABILITIES			
Other current liabilities		<u>39,100</u>	<u>200</u>
TOTAL LIABILITIES		<u><u>39,100</u></u>	<u><u>200</u></u>
NET ASSETS		<u><u>25,492</u></u>	<u><u>19,336</u></u>
 EQUITY			
Accumulated funds		19,336	66,499
Net surplus (loss) for the year		<u>6,156</u>	<u>(47,163)</u>
TOTAL EQUITY		<u><u>25,492</u></u>	<u><u>19,336</u></u>

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

SEAFARER'S WELFARE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2017

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report and has been prepared to satisfy the requirements specified in the Trust Deed and to assist with the preparation of the Trust's return to Consumer Affairs. The trustees have determined that the trust is not a reporting entity.

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

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

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

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

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

Revenue recognition

Appeals, Gifts, Donations and Pledges

Appeals, Gifts, Donations and Pledges collected, including cash, are recognised as revenue when they are received.

Grants

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

Interest income

Interest income is recognised as it accrues.

Expenditure

Distributions represent amounts granted to the Mission to Seafarers Inc. and are recognised when paid or when there is an obligation to make payment under a contract.

SEAFARER'S WELFARE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2017

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax

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

Net fair value of financial assets and liabilities

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

Cash assets

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

Receivables

Receivables comprise amounts due from pledges or donations and are recognised when an invoice is allowed to be raised.

	2017	2016
	\$	\$
2. CASH AND CASH EQUIVALENTS		
Bendigo Bank	<u>21,078</u>	<u>17,692</u>
	<u>21,078</u>	<u>17,692</u>

SEAFARER'S WELFARE FUND
TRUSTEES DECLARATION
FOR THE YEAR ENDING 31 DECEMBER 2017

In the opinion of the Trustees:

- a) the statement of profit and loss and other comprehensive income is drawn up so as to give a true and fair view of the financial performance of the Trust for the period between 1 January 2017 and 31 December 2017; and
- b) the statement of financial position is drawn up to give a true and fair view of the financial position of the Trust as at the end of the financial year; and
- c) at the date of this statement there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they fall due; and
- d) the Trust is not a reporting entity. The financial statements have been prepared as a special purpose financial report in accordance with the accounting policies described in Note 1 to the financial statements solely to meet the Trust Deed's requirement to prepare financial statements.

This declaration is made in accordance with a resolution of the Trustees:

Trustee 

Trustee 

Trustees are the Committee members of Mission to Seafarers.

Melbourne

Dated this 19th day of April 2018

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

Report on the Audit of the Financial Report

Opinion

We have audited the financial report, being a special purpose financial report of Seafarer's Welfare Fund, which comprises the statement of financial position as at 31 December 2017, the statement of profit or loss and other comprehensive income, and notes to the financial statements, including a summary of significant accounting policies, and trustees' declaration.

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

- i. giving a true and fair view of the fund's financial position as at 31 December 2017 and of its financial performance for the year then ended; and
- ii. complying with Division 60 of the *Australian Charities and Not for profits Commission Regulation 2013*

Basis for Qualified Opinion

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

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Fund in accordance with Division 60 of the *Australian Charities and Not for profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ('the Code') that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter - Basis of accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Trustees' financial reporting responsibilities under the trust deed. As a result, the financial report may not be suitable for another purpose.

Responsibilities of the Trustee for the Financial Report

The Trustees is responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the trust deed and Division 60 of the *Australian Charities and Not for profits Commission Act 2012*. The Trustees' responsibility also includes such internal control as it determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Trustees' is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

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

LDAssurance
Chartered Accountants



Stephen O'Kane
Partner

Dated this 19th day of April 2018
250 Collins Street, Melbourne.