

**TRUSTEES OF THE SISTERS OF MERCY PARRAMATTA AS TRUSTEE FOR THE MERCY TREE  
GIFT FUND  
ABN: 75 147 677 876**

**ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2018**

**TRUSTEES OF THE SISTERS OF MERCY PARRAMATTA AS TRUSTEE FOR THE MERCY TREE  
GIFT FUND**

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**FOR THE YEAR ENDED 30 JUNE 2018**

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**TRUSTEES OF THE SISTERS OF MERCY PARRAMATTA AS TRUSTEE FOR THE MERCY TREE GIFT FUND**

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**INCOME STATEMENT**

**FOR THE YEAR ENDED 30 JUNE 2018**

		<b>2018</b>	<b>2017</b>
	<b>Note</b>	<b>\$</b>	<b>\$</b>
Revenue	3	<b>15,272</b>	<b>8,563</b>
Donations		<b>(7,000)</b>	<b>(7,820)</b>
Bank charges		<b>-</b>	<b>(345)</b>
<b>Surplus for the year</b>		<b>8,272</b>	<b>398</b>
Income tax expense	2(a)	<b>-</b>	<b>-</b>
<b>Surplus after tax</b>		<b>8,272</b>	<b>398</b>
<b>Total comprehensive income</b>		<b>8,272</b>	<b>398</b>
<b>Accumulated income at the end of financial year</b>		<b>8,272</b>	<b>398</b>

The accompanying notes form part of these financial statements.

**TRUSTEES OF THE SISTERS OF MERCY PARRAMATTA AS TRUSTEE FOR THE MERCY TREE GIFT FUND**

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**BALANCE SHEET**

**AS AT 30 JUNE 2018**

	<b>Note</b>	<b>2018</b>	<b>2017</b>
		<b>\$</b>	<b>\$</b>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	<b>22,709</b>	14,849
Trade and other receivables		<b>412</b>	-
<b>TOTAL CURRENT ASSETS</b>		<b>23,121</b>	14,849
<b>TOTAL ASSETS</b>		<b>23,121</b>	14,849
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
<b>NET ASSETS</b>		<b>23,121</b>	14,849
<b>EQUITY</b>			
Trust Settlement		<b>100</b>	100
Retained Earnings		<b>23,021</b>	14,749
<b>TOTAL EQUITY</b>		<b>23,121</b>	14,849

The accompanying notes form part of these financial statements.

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**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from donors	14,818	8,531
Interest received	42	32
Donations paid	(7,000)	(7,820)
Finance costs	-	(345)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>7,860</u>	<u>398</u>
Net increase in cash and cash equivalents held	7,860	398
Cash and cash equivalents at beginning of year	<u>14,849</u>	<u>14,451</u>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR</b>	<u>4</u> <u>22,709</u>	<u>14,849</u>

The accompanying notes form part of these financial statements.

**TRUSTEES OF THE SISTERS OF MERCY PARRAMATTA AS TRUSTEE FOR THE MERCY TREE GIFT FUND**

**ABN: 75 147 677 876**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2018**

**1 Basis of Preparation**

The Mercy Tree Gift Fund ("the Trust") is a Public Ancillary Fund ("PAF"), the Trustees believe the Trust is a non-reporting entity because there are no users dependant on general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Trust Deed and the PAF reporting guidelines.

The financial statements have been prepared on an accrual basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) Income Tax**

No provision for income tax has been raised as the Trust is exempt from income tax.

**(b) Revenue and other income**

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Trust and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Donations and bequests are recognised as revenue when received.

Interest is recognised using the effective interest method.

**(c) Cash and cash equivalents**

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

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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2018**

**3 REVENUE**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
Donations	<b>15,230</b>	<b>8,531</b>
Interest received	<b>42</b>	<b>32</b>
<b>Total Revenue</b>	<b>15,272</b>	<b>8,563</b>

**4 CASH AND CASH EQUIVALENTS**

Cash at bank	<b>22,709</b>	<b>14,849</b>
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**TRUSTEES OF THE SISTERS OF MERCY PARRAMATTA AS TRUSTEE FOR THE MERCY TREE GIFT FUND**

**ABN: 75 147 677 876**

**TRUSTEES' DECLARATION**

The Trustees declare that the Trust is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in note 2 to the financial statements.

The Trustees declare that:

1. The financial statements and notes, as set out on pages 1 to 5, present fairly the Trust's financial position as at 30 June 2018 and its performance for the year ended on that date in accordance with the accounting policies described in note 2 to the financial statements;
2. In the Trustees' 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.

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

**Sr. Mary-Louise Petro**  
**Congregation Leader**

**Sr. Maria Lawton**  
**Congregation Vicar & Bursar**

**Dated at Parramatta:**

**INDEPENDENT AUDITOR'S REPORT TO  
THE TRUSTEES OF THE SISTERS OF MERCY PARRAMATTA AS TRUSTEE FOR THE  
MERCY TREE GIFT FUND  
ABN 75 147 677 876**

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**Opinion**

We have audited the accompanying financial report, being a special purpose financial report of the Trustees of the Sisters of Mercy Parramatta as Trustee for the Mercy Tree Gift Fund ("the Trust") which comprises the Balance Sheet as at 30 June 2018, the Income Statement and the Statement of Cash Flows for the year then ended and Notes to the Financial Statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial report of the Trust for the year ended 30 June 2018 is prepared, in all material respects, in accordance with the accounting policies described in note 2 to the financial statements.

**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 Trust in accordance with 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 Preparation**

We draw attention to note 1 to the financial statements, which describes the basis of preparation. The financial report is prepared to assist the Trustees in fulfilling their financial reporting requirements. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the Trust and should not be distributed to or used by parties other than the Trust. Our opinion is not modified in respect of this matter.

**Responsibilities of the Trustees for the Financial Report**

The Trustees are responsible for the preparation and fair presentation of the financial report in accordance with the accounting policies described in note 2 to the financial statements, and for such internal control as the Trustees determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Trustees are responsible for assessing the Trust'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 Trust or to cease operations, or has no realistic alternative but to do so.

The Trustees are responsible for overseeing the Trust's financial reporting process.

**INDEPENDENT AUDITOR'S REPORT TO  
THE TRUSTEES OF THE SISTERS OF MERCY PARRAMATTA AS TRUSTEE FOR THE MERCY  
TREE GIFT FUND (CONTINUED)  
ABN 75 147 677 876**

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**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 Trust'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 Trust'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, 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 Trust 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.
- 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.
- Provide the Trustees with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**INDEPENDENT AUDITOR'S REPORT TO  
THE TRUSTEES OF THE SISTERS OF MERCY PARRAMATTA AS TRUSTEE FOR THE  
MERCY TREE GIFT FUND (CONTINUED)  
ABN 75 147 677 876**

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**Report on other legal and regulatory requirement**

In our opinion, the Trustees of the Sisters of Mercy Parramatta as Trustees for the Mercy Tree Gift Fund have complied, in all material respects, with the requirements of the *Public Ancillary Fund guidelines 2011*.

**V J RYAN & CO  
Chartered Accountants**

**Level 5  
255 George Street  
SYDNEY NSW 2000**

**Partner: Peter Gerard Crawford**

**Dated at Sydney:**