

President: HRH The Princess Royal, Princess Anne
**Patron: Her Excellency the Honourable Linda Dessau AC,
Governor of Victoria**
**President MtSV Board: The Most Reverend Dr Philip Freier,
Archbishop of Melbourne**



2021 Annual Report

Mission to Seafarers-Victoria
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missiontoseafarers.com.au

Caring for Seafarers in Victorian Ports Since 1857

Board Members

Chair - Neil Edwards AM (to April 2022)

Vice Chair - Rev'd Canon John Sanderson

Treasurer, and Chair of the Finance and Business Sub-Committee - Liz Grainger

Flying Angel Club Committee Chair - Ian Fletcher

Chair Governance and Risk Committee - Dr. Bronwyn Williams

Board Member - John Lines AM (Chair from April 2022)

Board Member - Philip Cornish (Interim CEO from May 2022)

Board Member - Rachel Johnson

Board Member - Nigel Porteous (retired May 2021)

Ex Officio:

Rev'd Onefre 'Inni' Punay

Public Officer - Cheka Samaranayake CPA, ACMA

Chief Executive Officer - Sue Dight Exec MBA (to April 2022)

Members of the Flying Angel Club (FAC) Committee

Rev'd Canon John Sanderson

Ian Fletcher

Max Hall

Tony Correll

Ajith Jayasuriya

John Winkett

Ex Officio:

Rev'd Onefre 'Inni' Punay

Sue Dight Exec (to April 2022)

Ben Schroeder

Rev'd Heiden Kunoo (from March 2021)

MtSV Staff

Sue Dight - CEO (to April 2022)

Philip Cornish - Interim CEO (from May 2022)

Cheka Samaranayake - Financial Controller

Ben Schroeder - Operations Manager

Rev'd Onefre 'Inni' Punay - Chaplain

Rev'd Heiden Kunoo - Assistant Chaplain

Ajith Jayasuriya - Club Manager

Daria Wray - Events Manager

Justin Safe - Buyer, Seafarer Services (July 2021-January 2022)

Carolina Heino Murillo - Administration (Buyer, Seafarer Services from January 2022)

Alana Worthing - Administration (from February 2022)

Geraldine Brault - Heritage Collection Manager

Chair's Report - John Lines AM

It gives me great pleasure to present my first annual report as Chair of the Mission to Seafarers Victoria. I joined the Board at the beginning of 2021, and I would like to pay tribute to my predecessor and friend Neil Edwards. He will be a hard act to follow. My background has been in the Australian shipping industry, and I have been a long-time admirer of the work of the Mission. In presenting the annual report last year Neil stated that 2020 was a year like no other. Well, 2021 it turns out was a year largely like one other: 2020.

As a community we should remain appreciative of the debt we owe to seafarers who have continued to ply the seas to provide the goods we need despite their longer periods of isolation and the complexities of the pandemic.

I am pleased to say that our small team of staff and volunteers continued to rise to the challenge of caring for our seafarers in trying circumstances. Commercial seafarers continued to be restricted to being largely ship bound in port, both because of governments' health concerns around the pandemic and the caution of ship owners and captains. None-the-less our Chaplains continued to find ways of connecting with those in need by dropping off care packages. And the Chaplains, with some volunteers, did visit ships when able. Our shopping service remained popular and will remain so until more seafarers can come on shore and do their own shopping. Our senior Chaplain, Rev'd Inni Punay tells me that mobile phone SIM cards are still highly prized in port as seafarers can use them to contact family and friends around the globe.

While we had more periods of the building being open in 2021 than in 2020, none-the-less our commercial activities, needed to support our seafarer services, were severely curtailed by the need for lock downs. Our Maritime Art Prize & Exhibition was online again this year, and I am very grateful for our corporate and philanthropic supporters. This is our major fundraiser, and it remains an important source of revenue.

The stewardship of our CEO, Sue Dight and the oversight of the Board, has meant that we arrive in 2022 in good shape financially, but we look forward to expanding our income as the opportunities to serve, and trade, increase.

Chair's Report (contd.)

During the year, and due to prudent enquiry by the Board, it was determined that there was a need to follow up and clarify the industrial award under which the staff should be paid. After initial inquiries, a substantial review of appropriate staff pay was undertaken and it has been determined that despite our intent and goodwill the Mission had inadvertently underpaid several staff going back some years. This was a major surprise and a matter of deep regret to the Board and senior management. We will have paid the amounts owed to both current and past employees by the end of June 2022.

The evolving role of the Melbourne Seafarer Centre (MSC) established by the Victorian State Government, the owner of the Mission's building, remains a work in progress. As the MSC evolves, the Mission will continue to represent the need to focus activities in the building on primarily assisting seafarers while advocating for the special heritage needs of the building, notably the Chapel of St Peter the Mariner, and the Norla Dome. We often get visitors coming to the Mission who have a family connection with the Chapel. Our building is a living heritage to be proud of and an essential part of the local area designated as a maritime precinct by the City of Melbourne.

I would like to take this opportunity to thank my fellow Board members, noting the efforts of my Vice Chair Rev'd Canon John Sanderson, and the Chairs of the Finance and Business Sub-Committee (Liz Grainger) and the Governance and Risk Committee (Bronwyn Williams). I am also delighted that we recruited two new Board members Rachel Johnson and Philip Cornish, this year. Both bring exceptional skills and experience to the work of the Mission. Ian Fletcher is now our longest standing Board member and continues to provide much needed continuity.

I am very appreciative of the efforts in 2021 of our CEO Sue Dight, who has recently resigned to look at other opportunities after serving the Mission so diligently. Sue has made an enormous contribution over her seven years with us. In the short term, Philip Cornish has agreed to step down from the Board to perform the role of interim CEO, until a new appointment is made.

At the time of writing, I am delighted to advise that we have had the first seafarers allowed into the centre after two years of being absent. This should bring some joy to us all again in these troubling times. I am proud to present this annual report to you.



John Lines AM

CEO's Report - Philip Cornish

As CEO I am delighted to be presenting on the work of the Mission to Seafarers-Victoria. Firstly, I would like to pay tribute to Sue Dight who was CEO in 2021 and has only just left the organisation at the time of presenting this. Many of you will know Sue personally and admired her hard work and dedication. The last two years 2020 and 2021 have been particularly hard and the Mission has come through in large part because of her efforts. I have stepped off the board to be the interim CEO until a permanent appointment of a CEO is made.

I call the Mission Melbourne's biggest secret in plain sight. Once people know my background and the location of where I work, they often say, "I always wondered what that building was for." What it is for of course, is service for seafarers irrespective of background or creed. My hope is that we will find new ways of finding of promoting our works. I am grateful for our supporters reading this, who do indeed spread the word on our good works. The people who knit the beanies, lead the tours and volunteer for so many other things, are treasured by the Mission and the seafarers. The people who know us, often with a personal and/or maritime background, greatly support us.

As hard as 2020 and 2021 may have been for the team at the Mission, we were aware of just how very hard it was for the seafarers. The already long stays at sea, away from family and home, were extended by months. Our ability to offer succour, recreation and material aid was hampered, but not our ability to advocate humane treatment of our seafarers. And we did. The Mission throughout 2021 ensured that staff were at the Mission each day of the year to assist seafarers if needed.

The Mission in 2021 continued to find ways of assisting seafarers. One of these was to facilitate the vaccination of seafarers in port for covid-19. Hopefully this will increase the freedoms of the seafarers as governments, including our own, relax restrictions for those who are vaccinated. We also initiated a new service that tailored shopping for the seafarers while they were confined to Port.

Mission staff, and some volunteers, were allowed to drop goods off to the ships following strict protocols. Our experience of the seafarers, in the limited hours they have on shore, is that they enjoy the simple things; shopping for loved ones, maybe a beer and some takeaway food and a listening ear. The club-like atmosphere provides a setting for seafarers to experience fellowship, perchance a game of pool and other recreation and a slice of normality.

CEO's Report (contd.)

Our beautiful memorial chapel, with its tribute plaques to lost seafarers, reminds us how dangerous the sea was to work in. Our experience with supporting injured seafarers, whilst happily few, tells us how dangerous it remains.

Our chaplains and volunteers supported isolated and injured seafarers in Melbourne. As part of the International Anglican Mission to Seafarers' network we are updated to the dangers which remain, such as weather, war and even piracy. Our amazing chaplains lead our welfare services and meet the seafarers where they are, on ship or shore. This might be on Facebook or video platform, but sometimes it will be having a deep conversation over a pizza the chaplain may have delivered. And who hasn't had a meaningful conversation over a pizza?

As you know, the Mission's finances are supported by the income from our hospitality function and venue hire. This income stream was greatly impaired by lockdowns and people self-isolating. As an organisation we were grateful to the financial assistance of both the state and federal government programs. A major challenge will be to lift income sources by philanthropic efforts or by increasing the income we obtain. Happily, at the time of writing, we are seeing increased bookings.

I would like to thank our small, dedicated team for their efforts in what was a difficult year. I look forward to your continuing endeavours. And to all our supporters and friends, a sincere and deep thank you. The Mission will need your best wishes and practical and financial help. I humbly submit this report to you and commend the ongoing work of the Mission.



467
ships received
deliveries



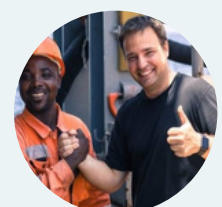
10,274
seafarers
assisted



2
seafarers
visited the
Mission



34,459
items
purchased on
behalf of
seafarers



\$474,876
reimbursed
shopping at no
profit

Chaplain's Report - Onefre (Inni) Punay

At 11.59pm on Thursday, 21 October 2021, Victoria's 6th lockdown had come to an end.

Lockdown 1: March 30 to May 12, 2020 — 43 days

Lockdown 2: July 8 to October 27, 2020 — 111 days

Lockdown 3: February 12 to 17, 2021 — 5 days

Lockdown 4: May 27 to June 10, 2021 — 14 days

Lockdown 5: July 15 to 27, 2021 — 12 days

Lockdown 6: August 5 to October 21, 2021 — 77 days

It would be an understatement to say that most people during this year hadn't come to terms with the fact that the disruptions of the Covid-19 pandemic from last year would continue and keep going. Some people had gone to the streets to protest the lockdown/s; more responded to the call of the Victorian Government to get vaccinated to get the required double and triple vaxxed percentage ('VAX' was declared Oxford English Dictionary's word of this year) of vaccinated populations to end the lockdown. Those people permitted to work were called 'essential workers' (like us) and had undergone weekly (some workers in a particular work setting did it daily) Covid-19 tests under the government's surveillance testing order. There were more than a hundred of the Covid-19 restrictions and protocols from the Victorian Government and some people found it hard to keep up with all these changes.

I am very proud to report that at the Mission to Seafarers-Victoria, the above melees hadn't 'disrupted' our services in caring for the seafarers in our port and, as a matter of fact, intensified it. We had to step-up due to being aware that the seafarers during this time had no other option to rely on with their needs but us. We were also fortunate that we were able to set-up our services for seafarers with lockdown settings from 2020. We were very convinced we were doing the next best thing given the circumstances and in-line with our calling.

- Shopping for seafarers not only for their essential needs, but also searching for requested items to purchase that were probably serving as outlets for their 'prison-like' working environment.
- Care packages as messages that we care for them, and that we had them in our thoughts.
- Prize packs for their recreational games onboard to strengthen their unity.
- Online engagement channels (social media and email) with the intent to reach out to all ships that were coming to our port advising them of our services and greetings of welcome to Melbourne.
- Christmas gift packs.
- Reaching out to seafarers who were injured and left behind by their ships in the hospital or in quarantine hotels (both places were highly restricted at this time).

"I think the online ship deliveries is a wonderful service for the seafarers. It is without a doubt complex and resource intensive, however, I can assure everybody involved it means 'the world' to the seafarers that I have the privilege to briefly meet at the bottom of these vessels' gangway"

Simon Burton, MtSV Ship Visitor

Chaplain's Report (contd.)

At the end of this year, it was reported that the shopping for seafarers had reached more than \$470,000 – a staggering amount of goods that were delivered at the bottom of the gangway. The amount mentioned was not so much on the economic implications but more of an indication of the amount of work it took – the traffic of communications with the ships and seafarers regarding their requests, the procuring activities of these goods, the processing of paper work in the accounting side as well as for the required permissions to be allowed to deliver these goods to the ships in port, and the logistics and actual deliveries to the ships in port.

In the second quarter of the year, an Assistant Chaplain, and an Admin. Assistant, were hired on a part-time basis; and a fulltime Buyer was also hired at the start of the second half of the year. All of them to help with the above activities.

I am very grateful for the whole MtSV team, the members of the Board for their endorsements and directives of these activities, the CEO Sue Dight who put herself in the frontline of caring (and shopping) for the seafarers for most of the year, the handful of staff who had to find their way working on or off site and did the extra mile for these activities , and the volunteers, when they were allowed to come in, who stepped up to help keep the above activities going.



Chaplain's Report (contd.)

JANUARY

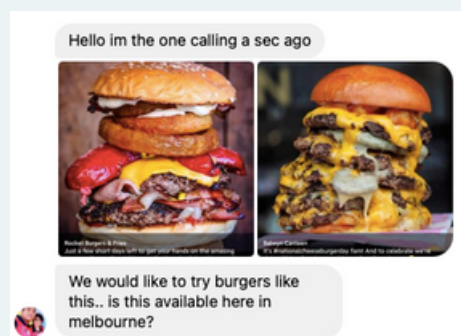
- 13 ship deliveries, \$10,248 sales volume
- Board endorsed spending from the Seafarers Welfare Fund for care packages to the ships – these went out with every ship delivery
- Sue was in communication with government departments about the possibility of shore leave for the crew of *Zarnata Express* who were stuck here for some time to have the ship repaired. It didn't happen but one of the crew sent us a message that because of our care packages and Christmas gifts, the crew at least felt the warmth of New Year at the anchorage.

FEBRUARY

- 30 ship deliveries, \$31,425 sales volume
- Ship delivery protocols put in place
- One crew from *Gaia Leader* ship requested supply of prescription glasses and we helped with that
- We were informed of the medevac of an Australian crew on board *Bhagwan Dryden* in the bay. Chaplain service was offered.
- AMSA reported that the temporary ceasing of the Maritime Labour Convention requirement that crew had a maximum stay of 11 months on a ship (which was in place from June 2020), be scrapped. Crew were now expected to have a valid Seafarers Employment Agreement or face forced repatriation.
- We were informed that the Ukrainian master of the *Tasman* was medevaced on the 27th of January. He unfortunately later died in hospital. We were in contact with the new ship's master (Australian based) and some crew on board. We did multiple deliveries to the ship of mostly fast-food gifts from the master to the crew on board.
- COVID-Safe Plan to be mandatory. This includes weekly surveillance testing.

MARCH

- 36 ship deliveries, \$34,624 sales volume
- 24/03 Rev'd Hay Day Ta Tha (Heiden) was appointed as Assistant Chaplain
- Philippine Consul General and team visited MtSV.



Chaplain's Report (contd.)

APRIL

- 33 ship deliveries, \$37,918 sales volume
- 24/04 we were informed of the sudden death of a Russian electrician on board *Sider Jasmine* while the ship was in our port getting ready to depart. Ship was referred to MtS Port Kembla, the next port of call of the ship. Services were offered, and we were in communication with the captain, and some crew.
- 16/04 a crew member on board *OOCL Houston* was injured and left behind. We, in coordination with Stella Maris, cared for and served the crew with monitoring and care packages.
- 20/04 attended and participated with the commissioning of Rev'd Heiden at St. Paul's, East Kew.
- 07/04 covid-19 vaccination eligibility was advised for port workers (including us).

MAY

- 38 ship deliveries, \$39,314 sales volume
- 13/05 Ian, Simon, and I had Korean BBQ with Mr. Sangguk Lee (the injured seafarer who we have been visiting for some years).
- 18/05 AGM and opening of the *Nigel Porteous OAM Archive Room*.
- 22/05 I reported of the care we provided to the Georgian seafarer on the *Kanpur T* who was rescued by water police hanging onto a floating navigation device in the bay

JUNE

- 40 ship deliveries, \$43,394 sales volume
- 08/06 a Burmese crew on board *Golden Aspirant* was referred to the ITF. Crew had an accident on board while the ship was being battered by bad weather which resulted in a broken leg injury. The referral was to help with his wish to spend his therapy here, and not in turmoiled Myanmar which unfortunately, did not happen.
- Chief cook of the *Calandra* ship sent a message of thanks for the granting of his desperate need for working trousers that were sent on board.
- I replied to some ships that were inquiring about the possibility of crew vaccination with the advice from the federal government – 'foreign nationals are not within the scope of Australia's covid-19 vaccination program at this time'.

JULY

- 46 ship deliveries, \$58,559 sales volume
- Justin Safe – Buyer, Seafarer Services started
- 21/07, Rev'd Heiden reported on the continued care provided to the Burmese seafarer from the *Golden Aspirant*, and a seafarer from a fishing vessel who was rescued when he went overboard outside NSW but was quarantining here in Melbourne

Chaplain's Report (contd.)

AUGUST

- 45 ship deliveries, \$45,948 sales volume
- MIAL reported an accident that resulted in the death of a crew member when he was trying to get on board a ship to sign in, while the ship was at the anchorage in Queensland.
- I was prevented from delivering to the *Delta Poseidon* due to crew needing PCR tests and awaiting results. A crew who signed off some days ago tested positive. Delivery was done early the next day as the ship was also advised to depart, as the port abruptly changed their loading/unloading systems and can no longer accommodate their kind of ship. We were in communication with some of the crew on board till they arrived back in Singapore

SEPTEMBER

- 43 ship deliveries, \$31,616 sales volume

OCTOBER

- 54 ship deliveries, \$49,527 sales volume
- 17/10 online Seafarer's Service at the St. Paul's Cathedral
- 18/10 Sue sent an email to the Department of Transport (DOT) regarding the possibility of starting ship visiting
- 25/10 MtSV, DOT, DHHS, and VicPorts started discussions about shore leave and the vaccination of seafarers
- I communicated with the ship *Stolt Sakura* offering our service as the ship was stuck in WA before they arrived here in Melbourne, due to positive covid-19 cases among the crew
- 21/10 Rev'd Canon John Sanderson conducted WHO Pastoral and Spiritual Intervention Codings lecture
- 16/10 an assessment of the current services that we provide for the seafarers was found to be in line with MtSV's Constitution

NOVEMBER

- 33 ship deliveries, \$40,625 sales volume
- Stella Maris and MtSV conducted joint Christmas giving to seafarers

DECEMBER

- 56 ship deliveries, \$51,673 sales volume
- 01/12 Sue reported on the first crew vaccinations at the Capsule Pharmacy
- I reported on the ongoing care provided to a seafarer who fell ill while the ship was at the Port of Geelong and had to stay at the hospital, and later at a quarantine hotel



***Many thanks from all my Crew for the additional Items sent...
...it was very kind of you, Father Reverend Inni & others
at Mission to Seafarers, for thinking of my Crew.
Please say a prayer & Bless Us All Seafarers
+ God Bless ! Amen !***

Treasurer's Report - Liz Grainger

I am pleased to present my report for the financial year ended 31 December 2021. The audited financial statements for the year are provided with this Annual Report.

The restrictions on activity which were imposed because of the covid-19 pandemic continued to have significant consequences for the Mission in 2021. I am pleased to report, however, that the year did see a limited resumption of on-site activities and a modest recovery in our commercial revenues.

Whilst securing new grants and sponsorships remains challenging in this environment, we are deeply grateful for the support of our continuing donors and supporters, and those who remember us in their wills, including Mr John Garden, a long-term and generous friend of the Mission, whose substantial legacy was received during the year. We also acknowledge the significant covid-19 related financial support we received from the Victorian State Government in respect of our hospitality activities.

The result for the year is a surplus of \$570,000 (2020: surplus of \$93,000). Of this amount, \$354,000 is attributable to the aforementioned bequest from Mr Garden. After taking account of an unrealised gain of \$69,000 on the carrying value of investments, the comprehensive surplus for the year is \$639,000 (2020: \$11,000).

During the year, and as described in the Chair's Report on page 4, the Board reviewed the Mission's compliance with minimum pay entitlements, under the relevant industrial instruments, with respect to its past and current employees. This exercise estimated that there were cumulative underpayments over a six-year period of \$319,000, of which \$265,000 related to 2020, and earlier. Accordingly, and as further described in Notes 17 and 18 of the audited financial statements, it has been necessary to adjust the Mission's previously reported financial results to reflect entitlements that were then legally due to staff but not provided for. These amounts will be settled in full in 2022.

Treasurer's Report (contd.)

The adjustment described on the previous page reduced the Mission's net assets at 1 January 2021 from the previously reported \$868,000 to \$604,000, but during the year this reduction was more than compensated for by the strong financial result, described above. The Mission is in a sound financial position and has sufficient resources to meet its debts as they fall due. Longer-term solvency is provided by the Mission's access to its investments, currently held in listed Australian equities. The carrying value of these investments is 12% higher than at the previous year end, reflecting a market appreciation which effectively returned the value of the holdings to the pre-pandemic level.

Looking forward, we cautiously expect a return to more usual patterns of trading and activity, after the challenges of the last two years. 2022 will also continue to see further improvements in the organisation's financial systems and processes, under the oversight of the Finance and Business Sub-Committee, which I chair. I would like to thank my Board colleagues who have served on this Committee during the year – Neil Edwards, John Lines, Ian Fletcher, Bronwyn Williams, and Rachel Johnson. I am grateful for their time and expertise. I also acknowledge the work of the Mission's Financial Controller, Cheka Samaranayake, who expertly and calmly manages the financial requirements of a small but often complex organisation.

Included in the Appendix of this Annual Report and for the information of members, are the financial statements of The Seafarers' Welfare Fund (the Fund) which is established for the relief of seafarers in necessitous circumstances and is registered as a charity which can receive tax deductible donations. The Fund also, from time to time, receives income from philanthropic grants and bequests.

The total revenue for the year ended 31 December 2021 was \$16,000 (2020: \$78,000). The Mission, in its capacity as Trustee of the Fund, approved a distribution of \$83,000 to the Mission during the year to assist in the funding of chaplaincy costs.



Concordis Chamber Choir, Norla Dome

Governance and Risk Committee Report - Dr Bronwyn Williams, Committee Chair

The Governance and Risk Committee is a new sub-committee of the MtSV Board created in September 2021 to assist the Board in fulfilling its statutory, fiduciary, and regulatory responsibilities. This includes providing assurance that the organisation's governance framework is fit for purpose, and that the organisation is managing risk systematically. Inter alia, the committee is to develop and regularly review a register of Board policies and management procedures to monitor their coverage and currency. It will oversee development and implementation of governance and risk management policies and processes and provide guidance on legal and regulatory matters.

Since the committee's first meeting in November 2021, the Board has signed off on a new organisational risk management policy, statement of risk appetite, and strategic risk register. These documents will provide a framework for ongoing Board oversight of risk as well as cascading into operational risk planning and management led by the MtSV CEO. The committee will continue to review and update the risk policy framework and register, periodically or as circumstances dictate.

The committee has also led action on a change to the MtSV Constitution/Rules of Association that was approved by the Association's members in March 2022. This followed Board review and advice on the organisational structure, and the charitable and taxation status of MtSV and related entities, and opportunities to simplify existing arrangements (in particular, to support charitable fundraising). The membership and role of a Board working group leading this task in 2021 has been subsumed into the new Governance and Risk Committee.

Going forward, the Committee will work progressively with MtSV management to review other key organisational policies. Later in 2022, it will lead a wider review of the MtSV constitution and implement any improvements that are identified, to ensure this key governance document remains current and is as simple and clear as possible to drive sound governance of the Association.

Donors

Bequests

The estate of the late John Garden	\$355,087
The estate of the late Ronald White	\$1,000
Total Bequests	\$356,087

Trusts

Late Florance Isobel Smith Estate	\$4,434
Walter Leitch	\$1,890
H.G Berry Trust	\$1,400
Ernst & Letitia Wears Memorial Trust	\$1,114
Arthur Gordon Oldham Trust	\$1,000
Ada Withers Estate	\$548
Total Trusts Revenue	\$10,386

Grants

Vera Moore Foundation	\$20,000
Australian Mariners Welfare Fund - Cottage Repairs & Maintenance	\$4,843
Australian Mariners Welfare Fund – wifi	\$1,745
Total Grants Revenue	\$26,588

Major Donors

Corporate Memberships

Port of Melbourne Operations Pty Ltd	\$25,000
Maritime Super	\$5,000
CSL Australia Pty Ltd	\$2,500

Individual Donors >\$1,000

Mr Richard and Mrs Avril Lowry	\$15,250
Stephen Creese	\$1,000
The late Mr. Baillieu Myer AC	\$1,000

Churches and Opportunity Shops

The Canterbury Fellowship	\$7,732
Toorak Ecumenical Churches Op Shop	\$4,000
All Souls Community Op Shop	\$3,000
St Alfred's Anglican Church	\$2,000
St Georges Anglican Church Ivanhoe East	\$1,400
Anglican Church of Leongatha	\$1,000

Corporate Donors

Rightship Pty Ltd.	\$11,836
Victorian Ports Melbourne	\$1,000
Company of Master Mariners Melbourne	\$1,000
Swire Shipping	\$1,000



2020 Winner Rodney Forbes 'A submariner dreams of home'

MARITIME ART PRIZE & EXHIBITION

15th-31st October 2021

missiontoseafarers.com.au/art-prize



2021 MSC Maritime Art Prize & Exhibition

Planning commenced in February to secure the sponsorship required to host the exhibition and to meet the budgeted revenue projections however, due to the pandemic, attracting financial support and artist entries in 2021 (and previously in 2020) presented an enormous challenge. For the second year running, the prize winners were announced via a live streaming event and the exhibition was held online.

Artists competed for their share of \$20,000 in prize money:

\$10,000 MSC Maritime Art Award*

\$5,000 Port Phillip Sea Pilots Best in Traditional Maritime Art Award

\$1,000 Gulf Agency Company Emerging Artist Award

\$2,000 Neville & Co Runner-Up Award

\$2,000 VICT People's Choice Award

**In 2021, the Mediterranean Shipping Company (MSC) became naming rights partner, replacing ANL who had supported the prize since 2003.*

"The Maritime Art Prize and Exhibition has presented us with some interesting challenges again this year, due to covid-19. Taking the exhibition online provides us with a global audience for the artists that have supported the Mission for so many years. Our role in supporting the seafarers is highlighted by providing the public with an understanding of the harsh and dangerous conditions that seafarers experience every day. Our immediate concern is for the thousands of crew members globally who are still stuck on board without shore leave and, for some, abandoned a long way from home. Isolation harms us all and seafarers are suffering more than ever. Art inspires us to remember those who are working solidly to deliver our everyday items."

Quote attributed to Sue Dight, CEO (to April 2022)

2021 MSC Maritime Art Prize & Exhibition (contd.)

Sponsorship

Mediterranean Shipping Company	\$25,000
Maritime Super	\$1,818
Gulf Agency Company	\$5,000
Port Philip Sea Pilots	\$10,000
Riverlee	\$3,000
VICT	\$2,000
Total Sponsorship	\$46,818

Donations

Dorval Shipping	\$500
Avril Lowry	\$250
OSSA	\$500
Australian Society of Marine Artists	\$500
Rotary Club of south Melbourne	\$500
First Fleet Fellowship	\$500
Total Donations	\$2,750

Total Art Prize Entry Fees \$5,727

Commissions Earned \$5,151



Top: Emerging Artist Winner - ANTOINETTE INGUANTI, Men at Work

Middle: Runner-Up - DON BRABEN, Once Were Lifesavers

Bottom: Best Traditional - DEBRA MARSHALL, Sea Forrest

Top Left: Maritime Art Prize Winner - LAUREL FOENANDER, Lest we Forget

Left: People's Choice - ORIGINAL SMITH, The Sea Has Stories

Flying Angel Club (FAC) Committee Report - Ian Fletcher

As was stated in last year's report 2020 was a difficult year, and 2021 was just as difficult.

All through 2021 the seafarers who visited Melbourne were unable to come onto Victorian soil and again our work was composed of supplying the ships with items to the bottom of the gangway.

Our staff moved into the "collect and deliver" mode - we took orders from the seafarers or their ships, purchased goods and then delivered to the bottom of the gangway for later collection by the crews. So again, no more visiting seafarers in the Flying Angel Club. We hope things will return to normal (whatever that is) by sometime in 2022.

We managed some events for the public, and social gatherings for our staff and volunteers, but they had to fit into the restrictions imposed by the Victorian Government due to lockdowns.

Our South Korean seafarer who had a major accident in March 2019 was eventually released into life away from Epworth at Christmas 2021 and will now be starting life as an out-patient while trying to find the interests and life of a young man.

The MtSV management team has spent some in the past year improving our processes through better internal reporting (Infoodle) and external reporting (Ship visitors and WHO Pastoral Intervention Codings).

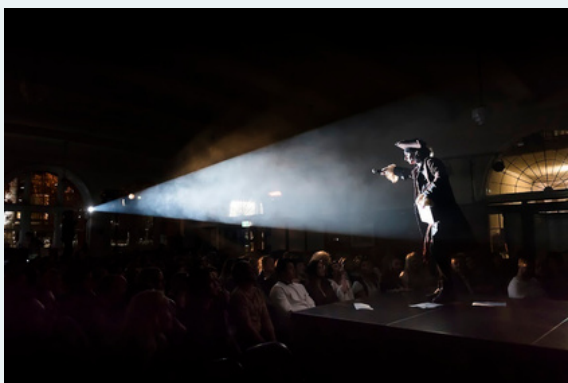
An Assistant Chaplain joined us, Rev'd Heiden Kunoo, and she has been invaluable in aiding the efforts of our ship visiting team and the purchasing/supply of items to our visiting seafarers

Events Overview - Daria Wray, Events Manager

Events at the Mission in 2021 were significantly impacted by the ongoing covid-19 pandemic. The venue was closed for 113 days during four separate lockdowns and density restrictions resulted in events being rescheduled multiple times or cancelled. The Pirate Experience, for example, staged just 11 performances out of 29 booked. Also, patrons were often hesitant to make plans or socialise, and this became evident in late December due to the Omicron wave.

Despite those challenges we hosted four weddings, a performance for the Yirramboi Festival, Scratch Arts programmed two weeks of performances throughout the building for Midsumma Festival and successfully turned the Mission into a mini-hub, there were a handful of live music performances, various social gatherings for regular community groups, birthday parties and milestone celebrations, and the filming of a commercial for Dan Murphy's. Bar takings for the period July to December were \$72,894 ex GST, and 90% of those sales can be attributed to events (conservative estimate).

December saw a return to a near-normal events schedule with regular groups and the local community hosting large-scale celebrations. The Pirate Experience finally performed to capacity audiences, and Scratch Arts' Tinsel staged their dinner and comedy show for seven nights in the lead-up to Christmas. Bar takings for December 1st to 24th \$33,719 ex GST.



L-R The Pirate Experience, Emma's Baby Shower, An Evening of Sea Shanties



L-R Sara & Adam's Wedding, Midsumma Festival Performance

Vale Walter Dewé

Walter Dewé served as a very active member of the Mission Board from 2016 to 2019. He brought to the Mission an engineer's rigour and eye for detail, a robust, cheerful and energetic spirit, and a worldly and courtly style.

Born in Ireland, educated in UK and with a working career which spanned Africa, Asia and the Americas, Walter applied his global experience as a senior executive in major oil and gas projects to all the Mission's challenges. As a Board member, Walter was always prepared, always ready to contribute strategically and in the interests of good governance. His efforts were informed by a deep, and compassionate, understanding of the Mission's fundamental purpose.

On the Mission's complicated - and sometimes highly risky - task of securing both long-term tenure to the building complex and improvements to its fabric, Walter's efforts were unsurpassed. He readily took on chairmanship of the Board's Building Development Committee soon after joining us and stayed in the role until his retirement from the Board. He did not merely preside, he led this work. We remain grateful.

Sadly, Walter passed away suddenly earlier this year (2022), from an illness triggered by covid-19. He left a loving family of adult children and beautiful grandchildren, on whom - those who knew Walter were left in no doubt - Walter poured his big-hearted love and pride.



Image: James Lauritz Photography

The Mission to Seafarers Victoria Inc.

ABN: 18 630 990 996

Financial Statements

For the Year Ended 31 December 2021

The Mission to Seafarers Victoria Inc.

31 December 2021

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The Mission to Seafarers Victoria Inc.

Board of Management's Report

The Board of Management of The Mission to Seafarers Victoria Inc. ("the Mission") presents its report together with the financial statements for the year ended 31 December 2021, and the Independent Audit Report thereon.

Members of Board of Management

The names of each person who has been a Member of the Board of Management during the year and to the date of this report are:

- Neil Edwards AM (retired 13 April 2022; Chair to 12 April 2022)
- John Lines AM (appointed 16 February 2021; Chair from 13 April 2022)
- Revd. Canon John Sanderson (Vice Chair from 16 February 2021)
- Liz Grainger (Treasurer)
- Ian Fletcher
- Bronwyn Williams
- Nigel Porteous AM (retired 18 May 2021)
- Phillip Cornish (appointed 15 June 2021; leave of absence granted from 29 April 2022)
- Rachel Johnson (appointed 21 September 2021)

Non-voting Members:

- Sue Dight (CEO) (resigned 29 April 2022)
- Phillip Cornish (Interim CEO; appointed 29 April 2022)
- Revd. Inni Punay (Port Chaplain)

The Members of the Board of Management have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal activity

The principal activity of the Mission during the financial year was to provide merchant seafarers with pastoral care, material aid, recreation facilities, and linkages to other health and human services to enhance their general wellbeing. Usually delivered onshore, onboard, and in person, most of these services were provided using online and similar channels during the year, because of continuing COVID-19 restrictions. Since the end of the financial year, the Mission has been able to resume onboard ship visiting and is experiencing a gradual return to more usual levels of activity.

Result for the year

The result of the Mission for the financial year ended 31 December 2021 was a surplus of \$569,528 (2020: surplus of \$93,496, as restated).

The increase over the previous year reflects the receipt of a significant bequest during the year and of Government grants related to COVID-19 recovery measures. As in the previous year, the generation of commercial revenue was significantly inhibited because of COVID-19 restrictions and an uneven and uncertain economic recovery.

After recognising an unrealised net gain of \$69,413 on investments measured at fair value through other comprehensive income (2020: \$82,197 loss), the Mission recorded total comprehensive income of \$638,941 (2020: \$11,299, as restated).

Included in the result for the year is \$88,000 (2020: \$90,000) of revenue which is committed to funding projects which will take place in future periods. The Mission was not able to record such revenue as a contract liability at 31 December 2021 as the underlying funding agreements did not satisfy the sufficiently specific criteria of AASB 15 *Revenue from Contracts with Customers* (AASB 15).

The Mission to Seafarers Victoria Inc.

Board of Management's Report

Prior period adjustment

During the year, the Board of Management commissioned an independent review of the Mission's compliance with minimum pay entitlements, under the relevant industrial instruments, with respect to its past and current employees. This review confirmed that underpayment liabilities existed, and the relevant employees' pay entitlements, including superannuation and interest, were recalculated for the six-year period from 1 January 2016 to 31 December 2021. The total accumulated underpayments as at 31 December 2021 were estimated at \$319,476 of which an estimated \$264,746 related to accounting periods prior to 1 January 2021. Accordingly, and as further described in Notes 17 and 18, the previously reported statements of profit or loss and other comprehensive income, financial position, and changes in equity for the year ended 30 December 2020 have been restated in these financial statements.

Significant changes in the state of affairs

There were no other significant changes in the Mission's state of affairs during the financial year.

Events subsequent to the end of the reporting period

Other than as described in Note 18 to the financial statements, there have been no events subsequent to the balance sheet date that would require disclosure in the financial statements or notes thereto.

Environmental regulation

The Mission is not subject to any significant environmental regulation.

Dividends

The Mission is prohibited, under its Constitution, from paying dividends.

Indemnification of officers

As required under the *Associations Incorporation Reform Act 2012*, and other than otherwise precluded by law, the Mission has indemnified each of its officer holders, including the Members of the Board of Management, against any liability incurred in good faith by the office holder in the course of performing his or her duties as an office holder.

The Mission has not provided any insurance for an auditor of the Mission or a related body corporate.

Proceedings on behalf of the Mission

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

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

Board of Management benefits

No Member of the Board of Management has received or become entitled to receive during, or since, the financial year, a benefit because of a contract made by the Mission, controlled entity or related body corporate with a Board of Management Member, a firm which is controlled by a Member of the Board of Management or an entity in which a Member has a substantial financial interest except as disclosed in Note 19 to the financial statements.

With effect from 29 April 2022, Phillip Cornish, a Member of the Board of Management was granted leave from his voting membership of the Board to fulfil the role of the Mission's CEO, on an interim basis. Details of his remuneration will be disclosed in the financial statements of the year ending 31 December 2022, as required.


The Mission to Seafarers Victoria Inc. Board of Management's Report

Non audit services

The Board of Management is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Australian Charities and Not for Profits Commission Act 2012*. The Members of the Board of Management are satisfied that the services provided did not compromise the external auditor's independence.

The Board of Management's Report is signed in accordance with a resolution of the Board of Management.

On behalf of the Board of Management:

Chair 

John Lines

Treasurer 

Liz Grainger

Dated: 26 May 2022

The Mission to Seafarers Victoria Inc.

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2021

	Note	2021 \$	2020 \$
Revenue from contracts with customers	2 (a)	433,403	138,701
Other sources of revenue	2 (b)	1,071,940	626,568
Cost of goods sold	3	(112,596)	(35,043)
Depreciation expense	3	(15,559)	(23,904)
Salaries and employee benefits expense		(616,633)	(459,151)
Administration and associated costs		(84,394)	(73,286)
Fundraising and development costs		(94,637)	(67,025)
Motor vehicle expenses		(7,338)	(9,427)
Other expenses		(4,658)	(3,937)
Surplus before income tax expense		569,528	93,496
Income tax expense	1(c)	-	-
Surplus after income tax expense		569,528	93,496
Other comprehensive income (OCI)			
<i>Items that will not be reclassified to profit or loss:</i>			
Unrealised net gain/(loss) on financial assets at fair value through OCI		69,413	(82,197)
Total comprehensive income attributable to members of the entity		638,941	11,299

The Mission to Seafarers Victoria Inc.

Statement of Financial Position

As at 31 December 2021

	Note	2021 \$	Restated 2020 \$
Current assets			
Cash and cash equivalents	4	869,249	249,738
Trade and other receivables	5	7,829	34,205
Other current assets	6	126,525	26,309
Inventories	7	43,805	30,854
Total current assets		1,047,408	341,106
Non-current assets			
Investments	8	657,896	588,483
Property, plant, and equipment	9	25,428	40,987
Total non-current assets		683,324	629,470
Total assets		1,730,732	970,576
Current liabilities			
Trade and other payables	10	78,082	48,919
Other liabilities	11	11,593	8,710
Employee benefits	12	74,991	37,453
Provisions	13	319,476	264,746
Total current liabilities		484,142	359,828
Non-current liabilities			
Employee benefits	12	4,092	7,191
Total non-current liabilities		4,092	7,191
Total liabilities		488,234	367,019
Net assets		1,242,498	603,557
Equity			
Retained earnings		1,017,902	719,657
Financial asset fair value reserve		224,596	(116,100)
Total equity		1,242,498	603,557

The Mission to Seafarers Victoria Inc.

Statement of Changes in Equity

For the Year Ended 31 December 2021

	Retained earnings	Financial asset fair value reserve	Total
	\$	\$	\$
Restated balance at 1 January 2020	626,161	(33,903)	592,258
Restated surplus attributable to the entity	93,496	-	93,496
Other comprehensive income for the year	-	(82,197)	(82,197)
Restated total comprehensive income for the year	93,496	(82,197)	11,299
Restated balance at 31 December 2020	719,657	(116,100)	603,557
Balance at 1 January 2021	719,657	(116,100)	603,557
Surplus attributable to the entity	569,528	-	569,528
Other comprehensive income for the year	-	69,413	69,413
Total comprehensive income for the year	569,528	69,413	638,941
Transfer (from)/to financial asset fair value reserve (Note 1(r))	(271,283)	271,283	-
Balance at 31 December 2021	1,017,902	224,596	1,242,498

The Mission to Seafarers Victoria Inc.

Statement of Cash Flows

For the Year Ended 31 December 2021

	Note	2021 \$	2020 \$
Cash flows from operating activities			
Receipts from customers and funders		1,476,779	827,165
Payments to suppliers and employees		(857,634)	(666,451)
Interest received		366	232
Net cash provided by operating activities	15	619,511	160,946
Cash flows from investing activities			
Purchase of property, plant, and equipment		-	(11,904)
Net cash provided used in investing activities		-	(11,904)
Net increase in cash held		619,511	149,042
Cash and cash equivalents at the beginning of the financial year		249,738	100,696
Cash and cash equivalents at the end of the financial year	4	869,249	249,738

The Mission to Seafarers Victoria Inc.

Notes to the Financial Statements

For the Year Ended 31 December 2021

Note 1. Summary of significant accounting policies

Corporate information

The Mission to Seafarers Victoria Inc. (the Mission) is an association incorporated in Victoria under the *Associations Incorporation Reform Act 2012*. This financial report covers the Mission as an individual entity.

The financial statements were authorised for issue on 26 May 2022 by the Mission's Board of Management.

Basis of preparation

The Mission is a not-for-profit entity. In the opinion of the Board of Management, the Mission is not a reporting entity as its users may request the financial information they need. These special purpose financial statements have been prepared for distribution to Members and for the purposes of fulfilling the reporting requirements under the *Australian Charities and Not-for-profits Commission Act 2012*.

The Mission has not assessed whether it has relationships with other entities which, for financial reporting purposes, might be considered subsidiaries, as it is not required by the *Australian Charities and Not-for-profits Commission Act 2012* to do so in the preparation of a special purpose financial report.

These special purpose financial statements comply with all the recognition and measurement requirements in Australian Accounting Standards (except for the requirements set out in AASB 10 *Consolidated Financial Statements*).

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board (AASB) has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the statement of cash flows, have been prepared on an accruals 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. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting policies

(a) Revenue

Revenue recognition

When the Mission receives consideration, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the Mission:

- identifies each performance obligation relating to the contract
- recognises a contract liability for its obligations under the contract
- recognises revenue as it satisfies its performance obligations, at the time of which services are rendered.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Mission:

- recognises the asset received in accordance with the recognition requirements of other applicable Accounting Standards;
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue, or contract liability arising from a contract with a customer); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

The Mission to Seafarers Victoria Inc.

Notes to the Financial Statements

For the Year Ended 31 December 2021

Note 1. Summary of significant accounting policies (continued)

(a) Revenue (continued)

If a contract liability is recognised as a related amount above, the Mission recognises income in profit or loss when or as it satisfies its obligations under the contract. This policy applies to each of the Mission's revenue streams as follows:

Sale of goods and services

Revenue from the sale of goods and services is recognised when the goods and services are transferred to the customer, at a point in time.

Functions and events revenue

Revenue from functions and events is recognised when the function or event takes place, at a point in time.

Foreign currency fees

Foreign currency fees are recognised when the foreign currency is exchanged and provided to the customer, at a point in time.

Grants and sponsorships

The Mission's grants and sponsorship agreements do not typically contain sufficiently specific performance obligations. This means that under AASB 1058 *Income for Not-for Profit Entities* (AASB 1058) such funds are usually recognised as income immediately when the Mission obtains control of the cash, even if the funding is to be spent in future reporting periods.

Donations and bequests

Donations and bequests received by the Mission typically do not involve terms or contracts that contain sufficiently specific performance obligations, therefore income is recognised when the Mission obtains control of the cash, even if the funding is to be spent in future reporting periods.

Dividend income and distributions from externally managed trusts

Dividend income and distributions from externally managed trusts are recognised when the Mission's right to receive the payment is established.

Distributions from the Seafarers' Welfare Fund

Distributions from the Seafarers' Welfare Fund are recognised once the Trustee of the Fund has agreed to the distribution.

JobKeeper subsidy

The Commonwealth Government's JobKeeper subsidy provided the Mission, as an eligible employer, with a wage subsidy for wages paid to eligible employees to 28 March 2021. This revenue was recognised when the Mission obtained control over the cash (Note 1(o)).

Other Government support

Other Government support includes the Commonwealth Government's Cash Flow Boost and grants from State and Local Government, related to COVID-19 recovery measures. Such support is recognised when the Mission obtains control of the cash.

Interest income

Interest income is recognised using the effective interest method.

The Mission to Seafarers Victoria Inc.

Notes to the Financial Statements

For the Year Ended 31 December 2021

Note 1. Summary of significant accounting policies (continued)

(b) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Trade receivables and trade payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(c) Income tax

The Mission is exempt from paying income tax under section 50-45 of the *Income Tax Assessment Act 1997* and consequently no income tax expense is shown in these financial statements.

(d) Cash and cash equivalents

Cash and cash equivalents, shown in the statement of financial position, include cash on hand, deposits held at-call with banks, and other short-term highly liquid investments with original maturities of three months or less.

(e) Trade and other receivables

Trade and other receivables include amounts receivable for goods sold and services performed in the ordinary course of business, including grants due from grantors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method, less any provision for impairment. Refer to Note 1(i) for further discussions on the determination of impairment losses.

(f) Inventories

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business.

(g) Property, plant, and equipment

Each class of property, plant, and equipment is carried at cost less, where applicable, accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(j) for details of impairment).

The Mission to Seafarers Victoria Inc.

Notes to the Financial Statements

For the Year Ended 31 December 2021

Note 1. Summary of significant accounting policies (continued)

(g) Property, plant, and equipment (continued)

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired where this can be reliably estimated. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefit associated with the item will flow to the Mission and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period which they occur.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets, which are consistent with the previous period, are:

Class of fixed asset	Depreciation rate
Leasehold improvements	100% (Note 1(h))
Plant and equipment	15-50%
Furniture and fittings	10%
Motor vehicles	15%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they occur.

(h) Leases

The Mission as lessee

At inception of a contract, the Mission assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Mission where the association is a lessee. However, all contracts that are classified as short-term leases (i.e. a lease with a remaining lease term of 12 months or less) and leases of low-value assets (i.e. fair value less than \$5,000 - \$10,000) are recognised as an operating expense on a straight-line basis over the term of the lease.

For leases that have significantly below-market terms and conditions principally to enable the Mission to further its objectives (commonly known as peppercorn/concessionary leases), the Mission has adopted the temporary relief under AASB 2018-8 *Amendments to Australian Accounting Standards – Right-of-Use Assets of Not-for-Profit Entities* and measures the right-of-use assets at cost on initial recognition.

The Mission has an implied peppercorn/concessionary lease arrangement in place for the use of the land and buildings at 717 Flinders Street, Docklands. The initial term of the lease has expired, with the Mission leasing the premises on a month to month basis. As this lease is in a period of holdover, any expenditure which would otherwise meet the criteria of leasehold improvements is currently expensed immediately in profit or loss (Note 1(g)).

The Mission to Seafarers Victoria Inc.

Notes to the Financial Statements

For the Year Ended 31 December 2021

Note 1. Summary of significant accounting policies (continued)

(i) Financial instruments

The Mission's financial instruments consist mainly of deposits with banks, receivables, investments and payables.

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Mission becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

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

Classification and subsequent measurement of financial assets

All financial assets are initially measured at fair value adjusted for transaction costs (where applicable). For the purpose of subsequent measurement, financial assets are classified into amortised cost or fair value through other comprehensive income. The Mission does not use hedging instruments.

Classifications are determined by both:

- the Mission's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables, which is presented within other expenses.

(i) Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions:

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

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Mission's cash and cash equivalents and trade and other receivables fall into this category of financial instruments.

(ii) Financial assets at fair value through other comprehensive income (equity instruments)

Upon initial recognition, the Mission can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss and other comprehensive income when the right of payment has been established, except when the Mission benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Mission to Seafarers Victoria Inc.

Notes to the Financial Statements

For the Year Ended 31 December 2021

Note 1. Summary of significant accounting policies (continued)

(i) Financial instruments (continued)

Impairment of financial assets

The Mission 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. The Mission uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses.

Classification and measurement of financial liabilities

The Mission's financial liabilities include trade and other payables. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Mission designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method. The Mission does not utilise derivative financial instruments. The Mission's trade and other payables fall into this category of financial instruments.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

(j) Impairment of assets

At the end of each reporting period, the Mission assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the Mission estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where the future economic benefits of the asset are not primarily dependent on the asset's ability to generate net cash inflows and when the Mission would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

(k) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Mission during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(l) Provisions

Provisions are recognised when the Mission has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

The Mission to Seafarers Victoria Inc.

Notes to the Financial Statements

For the Year Ended 31 December 2021

Note 1. Summary of significant accounting policies (continued)

(m) Employee benefits

Short-term employee benefits

Provision is made for the Mission's obligation to pay short-term employee benefits. Short-term employee benefits are benefits, including wages, salaries and leave but excluding termination benefits, that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Mission's obligations for short-term employee benefits such as wages, salaries and leave are recognised as a part of current provisions in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate expected future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements of obligations for other long-term employee benefits for changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

The Mission's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Mission does not have an unconditional right to defer settlement for at least 12 months after the reporting date, in which case the obligations are presented as current provisions.

(n) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(o) Critical accounting estimates and judgements

The Board of Management Members evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Mission.

Key estimates

Impairment

The Mission assesses impairment at each reporting period by evaluating the conditions and events specific to the Mission that may be indicative of impairment triggers. Recoverable amounts of the relevant assets are reassessed using the value-in-use calculation which incorporates various key assumptions.

Useful lives of property, plant, and equipment

The Mission reviews the estimated useful lives of property, plant, and equipment at the end of each annual reporting period and adjusts the carrying value of assets if required.

The Mission to Seafarers Victoria Inc.

Notes to the Financial Statements

For the Year Ended 31 December 2021

Note 1. Summary of significant accounting policies (continued)

(o) Critical accounting estimates and judgements (continued)

Key judgments

Identifying performance obligations under AASB 15

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/-type, cost/-value, quantity and the period of transfer related to the goods or services promised.

When reviewing contracts for grants and sponsorships, under AASB 15, the Mission has identified that performance obligations as per such agreements entered into were not considered sufficiently specific. Accordingly, such consideration is recognised as income immediately in profit or loss when the Mission has control of the funding, even if this represents a different reporting period to the year in which the funding is spent or relevant expenditure is incurred.

Determination and timing of revenue recognition under AASB 15

For each revenue stream, the Mission applies significant judgement to determine when a performance obligation has been satisfied and the transaction price that is to be allocated to each performance obligation.

The output method is used to recognise revenue once performance obligations are satisfied and goods/services to be transferred to a customer. Such goods/services are typically transferred at a point in time.

Determination and timing of revenue recognition relating to JobKeeper subsidies

The timing of recognising revenue from the JobKeeper subsidy is subject to significant judgement.

When recognising income, the Board of Management has applied a conservative approach, and has recognised the JobKeeper subsidy in profit or loss only when received.

Employee benefits

For the purpose of measurement, AASB 119: *Employee Benefits* defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. The Mission expects most employees will take their annual leave entitlements within 24 months of the reporting period in which they were earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements.

Reimbursement for goods purchased for seafarers

In response to the COVID-19 restrictions, the Mission has purchased specific goods at the request of seafarers remaining on board ships, before being subsequently reimbursed.

The Board of Management has concluded that the substance of such transactions is that the Mission is temporarily incurring costs on behalf of seafarers before being reimbursed in full. For this reason, such transactions are offset in the preparation of the financial statements. Goods purchased on behalf of seafarers, which are yet to be reimbursed by them at the balance sheet date, are disclosed as trade receivables.

The Mission to Seafarers Victoria Inc.

Notes to the Financial Statements

For the Year Ended 31 December 2021

Note 1. Summary of significant accounting policies (continued)

(o) Critical accounting estimates and judgements (continued)

Historic and current pay entitlements

The determination of the Mission's liability with respect to employee pay entitlements, as described in Note 17, has to some extent relied upon management's estimates with respect to the actual hours worked, and allowances due, for several employees for whom complete and accurate timesheets were no longer available. These estimates have been based upon the best available alternative sources including other timesheet and roster information and contracts of employment and, in the case of staff classified as managers, through the application of generally acceptable loadings on contracted salaries.

(p) Economic dependence

The Mission is economically dependent on the ongoing receipt of income under its grant and sponsorship agreements, and from bequests and donations, and on continuing its lease of its premises at 717 Flinders Street from the State Government of Victoria on effectively peppercorn terms. As described in note 1(h), this lease is currently in a period of holdover and is on month-to-month terms.

As the abovementioned revenue streams are generally non-recurring, it is difficult for the Board of Management to accurately estimate future cash flows from these sources. The COVID-19 restrictions have created economic uncertainty, and actual economic events and conditions in the future may be materially different from those currently envisaged by the Board of Management.

Despite such uncertainty, the Board of Management is satisfied the Mission has sufficient resources to pay its debts as and when they fall due for at least 12 months from the date of issue of these financial statements. Where continued support from funders and the State Government of Victoria is not forthcoming, this would have a significant impact on the Mission's ability to continue its activities and operations, at sustainable levels.

(q) New Accounting Standards for application in future periods

An assessment of Accounting Standards and interpretations issued by the AASB that are not yet mandatory applicable to the Mission and their potential impact on the Mission when adopted in future periods is discussed below.

AASB 1060 *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities (March 2020)* (AASB 1060) and associated amending Standards (applicable for annual reporting periods commencing on or after 1 January 2021). Early application was permitted. When effective, this Standard, which is a stand-alone disclosure standard, will replace the current Reduced Disclosure Requirements (RDR) Framework. Adoption is expected to result in more simplified disclosures compared to the current RDR Framework.

The Mission currently prepares a special purpose financial report as in the opinion of the Board of Management, its users may request the information they need. At present, AASB 1060 will not impact the Mission in the preparation of a special purpose financial report.

However, the Board of Management will continue to reassess whether or not the Mission remains a non-reporting entity in future reporting periods. Should the Board of Management consider the Mission to be a reporting entity in future reporting periods, the Mission would seek to apply AASB 1060 in the preparation of a general purpose financial report.

The Mission to Seafarers Victoria Inc.

Notes to the Financial Statements

For the Year Ended 31 December 2021

Note 1. Summary of significant accounting policies (continued)

(q) New Accounting Standards for application in future periods (continued)

Adoption of AASB 1060 would result in an increased level of disclosure regarding the Mission's accounting policies and financial information disclosed throughout the financial statements. The Mission's Board of Management believe the Mission's special purpose financial statements and accounting policies disclosed in Note 1 align to the requirements of Australian Accounting Standards and therefore it is not expected the transition to a general purpose financial report would materially impact the figures disclosed in the Mission's financial statements.

However in arriving at this conclusion, the Board of Management acknowledge the Mission is yet to assess whether it has relationships with other entities that may be considered subsidiaries. Refer to Note 1 Basis of preparation for further information.

(r) Financial asset fair value reserve

The Mission recognises changes in the fair value of equity investments at fair value through OCI. During the year ended 31 December 2021, a misallocation between retained earnings and the financial asset fair value reserves in previous years was identified within the figures for both reserves. This has been corrected and is recorded as a transfer to/from each reserve in the Statement of Changes in Equity.

Note 2. Revenue and Other Income	Note	2021 \$	2020 \$
Revenue from contracts with customers	2(a)	433,403	138,701
Other sources of revenue	2(b)	1,071,940	626,568
		<u>1,505,343</u>	<u>765,269</u>
(a) Revenue from contracts with customers			
The Mission has disaggregated its revenue by type of good/service and timing of revenue recognition as follows:			
Type of good/service			
Sale of goods and services		275,341	67,626
Functions and events		124,598	50,237
Foreign currency fees		32,723	20,300
Memberships		741	538
Total revenue		<u>433,403</u>	<u>138,701</u>
Timing of revenue recognition			
Services transferred to customers:			
- at a point in time		432,662	138,163
- over time		741	538
		<u>433,403</u>	<u>138,701</u>

The Mission to Seafarers Victoria Inc.

Notes to the Financial Statements

For the Year Ended 31 December 2021

	2021	2020
	\$	\$
Note 2. Revenue and Other Income (continued)		
(b) Other sources of revenue		
Other income		
Grants and sponsorships	67,834	160,624
Donations and bequests	472,478	187,634
Distributions - externally managed trusts	10,387	21,894
Distributions - Seafarers' Welfare Fund (*)	82,668	-
Dividends	65,235	28,976
Rent	22,138	13,086
JobKeeper subsidy	48,000	121,500
Other Government support (including Cash Flow Boost)	303,200	92,854
	<u>1,071,940</u>	<u>626,568</u>
* The Seafarers' Welfare Fund was established during 1999 for the relief of seafarers in necessitous circumstances and is a registered charity which can receive tax deductible donations. The Mission (in its capacity as Trustee of the Seafarers' Welfare Fund) may make distributions to the Mission.		
Note 3. Expenditure		
Cost of sales:		
- Bar	48,653	10,242
- Phone cards	28,660	20,888
- Merchandise and other	35,283	3,912
	<u>112,596</u>	<u>35,043</u>
Depreciation of property, plant, and equipment:		
- Motor vehicles	3,164	3,163
- Furniture and fittings	2,349	4,097
- Plant and equipment	10,046	16,644
	<u>15,559</u>	<u>23,904</u>
Note 4. Cash and cash equivalents		
<i>CURRENT</i>		
Cash on hand	6,034	17,925
Cash at bank	863,215	231,813
	<u>869,249</u>	<u>249,738</u>
Note 5. Trade and other receivables		
<i>CURRENT</i>		
Trade receivables	7,829	29,601
Tax recoverable	-	4,604
	<u>7,829</u>	<u>34,205</u>

The Mission to Seafarers Victoria Inc.

Notes to the Financial Statements

For the Year Ended 31 December 2021

	2021	2020
	\$	\$
Note 6. Other current assets		
<i>CURRENT</i>		
Prepaid expenses	12,507	6,356
Seafarers' Welfare Fund	82,668	13,064
Seafarers Reimbursements	6,809	-
Franking credits receivable	22,141	4,489
Other receivables	2,400	2,400
	<u>126,525</u>	<u>26,309</u>
Note 7. Inventories		
<i>CURRENT</i>		
Bar stock	10,355	8,111
Phone cards	8,559	8,255
Merchandise	24,891	14,488
	<u>43,805</u>	<u>30,854</u>
Note 8. Investments		
<i>NON-CURRENT</i>		
<i>Financial assets at fair value through other comprehensive income:</i>		
- Listed equity shares	657,896	588,483
	<u>657,896</u>	<u>588,483</u>
Note 9. Property, plant, and equipment		
<i>NON-CURRENT</i>		
Leasehold improvements*		
At cost	152,880	152,880
Accumulated depreciation	(152,880)	(152,880)
	<u>-</u>	<u>-</u>
Furniture and fittings		
At cost	259,721	259,721
Accumulated depreciation	(249,866)	(247,517)
	<u>9,855</u>	<u>12,204</u>
Plant and equipment		
At cost	195,683	195,683
Accumulated depreciation	(187,203)	(177,157)
	<u>8,480</u>	<u>18,526</u>

The Mission to Seafarers Victoria Inc.

Notes to the Financial Statements

For the Year Ended 31 December 2021

	2021	2020
Note 9. Property, plant, and equipment (continued)	\$	\$
Motor vehicles		
At cost	55,404	55,404
Accumulated depreciation	(48,311)	(45,147)
	<u>7,093</u>	<u>10,257</u>
	<u>25,428</u>	<u>40,987</u>

*During the year the Mission expended \$4,844 on improvements to its premises. This expenditure, which was funded by an external grant, was expensed during the year, and not capitalised (Note 1(h)).

Movements in Carrying Amounts

	Leasehold improvements *	Furniture and fittings	Plant and equipment	Motor vehicles	Total
	\$	\$	\$	\$	\$
Carrying amount at the beginning of the year	-	12,204	18,526	10,257	40,987
Additions at cost	-	-	-	-	-
Disposals	-	-	-	-	-
Depreciation expense	-	(2,349)	(10,046)	(3,164)	(15,559)
Carrying amount at the end of the year	-	<u>9,855</u>	<u>8,480</u>	<u>7,093</u>	<u>25,428</u>

	2021	2020
Note 10. Trade and other payables	\$	\$
<i>CURRENT</i>		
Trade payables	27,499	18,395
Superannuation and PAYGW payable	22,990	12,682
Accrued expenses and other payables	27,593	17,842
	<u>78,082</u>	<u>48,919</u>

Note 11. Other liabilities		
<i>CURRENT</i>		
Contract liabilities	11,593	8,710

Note 12. Employee benefits		
<i>CURRENT</i>		
- Annual leave entitlements	46,828	20,936
- Long service leave entitlements	28,163	16,517
	<u>74,991</u>	<u>37,453</u>
<i>NON-CURRENT</i>		
- Long service leave entitlements	4,092	7,191

The Mission to Seafarers Victoria Inc.

Notes to the Financial Statements

For the Year Ended 31 December 2021

Note 12. Employee benefits (continued)

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on experience, the Mission does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the association does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been discussed in Note 1(m).

	2021	Restated 2020
Note 13. Provisions	\$	\$
<i>CURRENT</i>		
- Provision for back pay	319,476	264,746
	319,476	264,746

The provision for back pay represents wage underpayments with respect to the Mission's past and current employees for the period 1 January 2016 to 31 December 2021. Refer to Note 17 for further information.

Note 14. Capital and leasing commitments

(a) Lease commitments

No lease expenditure commitments were contracted for at year end.

(b) Capital expenditure commitments

No capital expenditure commitments were contracted for at year end.

The Mission to Seafarers Victoria Inc.

Notes to the Financial Statements

For the Year Ended 31 December 2021

	2021	2020
	\$	\$
Note 15. Cash flow information		
Reconciliation of cash flow from operations with surplus after income tax		
Surplus after income tax expense	569,528	93,496
Non-cash flows in surplus:		
- depreciation of property, plant, and equipment	15,559	23,904
- loss on disposal of property, plant, and equipment	-	999
- loss on disposal of investments	-	10
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	26,376	23,580
- (increase)/decrease in other assets	(113,167)	(7,043)
- increase/(decrease) in trade and other payables	29,163	(31,060)
- increase/(decrease) in other liabilities	2,883	5,750
- increase/(decrease) in employee benefits	34,439	1,974
- increase/(decrease) in provisions	54,730	49,335
Cash flows from operations	<u>619,511</u>	<u>160,945</u>

Note 16. Contingent liabilities and assets

The Mission's Board of Management is not aware of any contingent liabilities or assets as at the date of signing this financial report.

Note 17. Prior period adjustment

During the year, the Board of Management commissioned an independent review of the Mission's compliance with minimum pay entitlements, under the relevant industrial instruments, with respect to its past and current employees. This review confirmed that underpayment liabilities existed, and relevant employees' pay entitlements, including superannuation and interest, were recalculated for the six-year period from 1 January 2016 to 31 December 2021.

The total accumulated underpayments as at 31 December 2021 were estimated at \$319,476 of which an estimated \$264,746 related to accounting periods prior to 1 January 2021. As the underpayment liabilities attributable to previous reporting periods was considered material, a restatement to the prior period was required.

The errors had a cumulative impact of increasing total liabilities and decreasing total equity at 31 December 2020 by \$264,746. An adjustment to the opening balance of retained earnings on 1 January 2020 was also recorded to reflect the underpayments applicable to previous reporting periods not required to be disclosed in these financial statements.

The Mission to Seafarers Victoria Inc.

Notes to the Financial Statements

For the Year Ended 31 December 2021

Note 17. Prior period adjustment (continued)

	Previous 2020 \$	Adjustment \$	Restated 2020 \$
Statement of Profit or Loss and Other Comprehensive Income			
Salaries and employee benefits expense	(412,246)	(46,905)	(459,151)
Administration and associated costs	(70,855)	(2,431)	(73,286)
Surplus before income tax expense	142,832	(49,336)	93,496
Statement of Financial Position			
Liabilities			
<i>CURRENT</i>			
Provisions	-	264,746	264,746
Total liabilities	102,273	264,746	367,019
Net assets			
Retained earnings	984,403	(264,746)	719,657
Total equity	868,303	(264,746)	603,557

Note 18. Events after the reporting period

Other than the completion of the review of pay entitlements described in Noted 17, there have been no events subsequent to the balance sheet date that have an impact that would require disclosure in the financial statements or notes thereto.

The results of the review of pay entitlements is considered a post-year end adjusting event under AASB 110 *Events after the Reporting Period* on the grounds that the liabilities existed in prior periods, even though they had not been identified and quantified.

	2021 \$	2020 \$
Note 19. Related party transactions		
The Mission's related parties comprise its key management personnel (comprising the Members of the Board of Management, the Chief Executive Office, the Port Chaplain) and the following related entities:		
- Seafarers' Welfare Fund		
- Mission to Seafarers Foundation (deregistered 24 February 2022)		
- Melbourne Seafarers Centre Inc.		
Remuneration of key management personnel		
Remuneration of key management personnel	191,863	136,731
The Mission does not remunerate voting Members of the Board of Management.		
Transactions with related entities		
The Board of Management report the following transactions with related entities:		
<i>Revenue</i>		
Distributions from the Seafarers' Welfare Fund	2(b) 82,668	-
<i>Assets</i>		
Receivable from the Seafarers' Welfare Fund	6 82,668	13,064

The Mission to Seafarers Victoria Inc.

Notes to the Financial Statements

For the Year Ended 31 December 2021

Note 19. Related party transactions (continued)

There were no other transactions with key management personnel, or parties related to them, during the year.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

No Members of the Board of Management have entered into any material contract with the Mission since the end of the previous financial year and there were no material contracts involving Board of Management Member interests subsisting at year end.

Since the year end, and with effect from 29 April 2022, Phillip Cornish, a Member of the Board of Management was granted leave from his voting membership of the Board to fulfil the role of the Mission's CEO, on an interim basis. Details of his remuneration will be disclosed in the financial statements of the year ending 31 December 2022, as required.

	2021	2020
	\$	\$
Note 20. Auditor's remuneration		
Amounts paid to the auditor for:		
- Audit services	9,375	8,010
- Non-audit services	1,200	990
	10,575	9,000

The provision of non-audit services includes the audit firm assisting management with the preparation of the Mission's annual financial statements.

Note 21. Trust liabilities and right of indemnity

The Mission acts as trustee of the Seafarers' Welfare Fund ("the Fund"). Liabilities incurred by the Fund are not recognised in the financial report of the Mission when it is not probable that the Mission will have to meet any of these liabilities from its own resources.

When it is probable that the Mission will have to meet some or all of the liabilities of the Fund, a liability for the deficiency in trust right of indemnity is brought to account. Details of the Fund's liabilities, the offsetting right of indemnity, and any deficiency in the right of indemnity as at 31 December 2021 is disclosed below.

Liabilities of the Seafarers' Welfare Fund not recorded in the financial statements of the Mission were:

Liabilities

CURRENT

Trade and other payables	82,668	13,064
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Rights of indemnity for liabilities incurred by the Mission on behalf of the Seafarers' Welfare Fund not recorded in the financial statements were nil (2020: nil).

The assets of the Fund, which lie behind the right of indemnity, are not directly available to meet any liabilities of the Mission acting on its own right. The assets of the Fund were sufficient to discharge all liabilities of the trust at 31 December 2021.

The Mission to Seafarers Victoria Inc.

Notes to the Financial Statements

For the Year Ended 31 December 2021

Note 22. Association details

The registered office and principal place of business is:

The Mission to Seafarers Victoria Inc.
717 Flinders Street
Docklands VIC 3008

The Mission to Seafarers Victoria Inc. Financial Declaration for Responsible Person

The Board of Management of the Mission declares that in its opinion:

- a. there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- b. the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Chair



John Lines

Treasurer



Liz Grainger

Dated: 26 May 2022

Independent Auditor's Report to the Members of The Mission to Seafarers Victoria Inc.

Report on the audit of the financial statements

Qualification

As is common for organisations of this type, it was not practical for The Mission to Seafarers Victoria Inc. to establish accounting control over donations and other cash receipts prior to their receipt in the accounting records of the association.

Accordingly, it was not practical in relation to such income to extend our examination beyond the amounts recorded in the accounting records of the association, and as such our audit in relation to this revenue was limited to the amounts recorded.

Qualified opinion

In our opinion the accompanying financial report of The Mission to Seafarers Victoria Inc., being a special purpose financial report, except for the effects of such adjustments, if any, as might have been determined to be necessary had the limitation discussed in the qualification paragraph not existed, is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- i. giving a true and fair view of the association's financial position as at 31 December 2021 and of its performance for the year ended on that date; and
- ii. complying with the accounting policies described in Note 1 of the financial report.

What we have audited

The Mission to Seafarers Victoria Inc. (the association) financial report comprises the:

- statement of financial position as at 31 December 2021
- statement of profit or loss and other comprehensive income for the year then ended
- statement of changes in equity for the year then ended
- statement of cash flows for the year then ended
- notes comprising a summary of significant accounting policies and other explanatory notes, and
- the certification by members of the Board of Management that the annual statements give a true and fair view of the financial position of the association.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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 to for the purpose of fulfilling the Association financial reporting requirements of the *Australian Charities and Not for profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other information

The association may prepare an annual report that may include the financial statements, Board of Management's report and declaration and our audit report (the financial report). The annual report may also include "other information" on the entity's operations and financial results and financial position as set out in the financial report, typically in a Chairperson's report and reports covering governance and other matters.

The Board of Management are responsible for the other information. An annual report has not been made available to us as of the date of this auditor's report.

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

Our responsibility is to read the other information identified above when it becomes available 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 we identify that a material inconsistency appears to exist when we read the annual report (or become aware that the other information appears to be materially misstated), we will discuss the matter with the Board of Management and where we believe that a material misstatement of the other information exists, we will request management to correct the other information.

Independence

We are independent of the association in accordance with the auditor independence 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.

Board of Management's responsibility for the financial report

The Board of Management of the association is responsible for the preparation of the financial report that gives a true and fair view in accordance with the accounting policies described in Note 1 of the financial report and the *Australian Charities and Not-for-profits Commission Act 2012* and for such controls as the Board of Management determines is necessary to enable preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board of Management is responsible for assessing the association'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 Board of Management either intend to liquidate the association or cease operations, or have no realistic alternative but to do so.

Auditor's responsibility for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes 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. Misstatement can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/home.aspx>. This description forms part of our auditor's report.



Andrew Frewin Stewart
61 Bull Street, Bendigo, 3550
Dated this 26th day of May 2022



Joshua Griffin
Lead Auditor