

ANNUAL REPORT



**St. Merkorous Charity
Association Inc.**



2020

ABOUT THE CHARITY

Hard times can fall on anyone, and bearing the weight alone to persevere into a better future can be a bitter process. This is where St. Merkorous Charity steps in. We lend a hand, we give support, and help tackle problems at their roots so that those who come to us are empowered to face their future.

Our Charity has many projects on the go. Our main project targets food insecurity by providing hot, nutritious meals to those under our care. After their immediate needs are taken care of, we strive to continue empowering them for the future.

We make our decisions on our programs while always respecting dignity, diversity and basic human rights.

MISSION

St Merkorous Charity has a simple mission. We relieve hunger and poverty by providing access to healthy food, clothing and essential items for day-to-day living. We then provide advice and referrals to services that can help them with their long-term goals.

Our vision is to tackle poverty at its root. Food insecurity is only the first step of care in our overall vision. Poverty has a horrible domino effect, and we aim to make a lasting impact on the lives of those who are stuck in poverty



CONTENTS

- 
- 2** ABOUT ST MERKORIOUS
Opening Message
- 4** HOW THINGS CHANGED
Pre and Post COVID
- 5** PRESIDENT'S ADDRESS
Paula Nicholas
- 6** FINANCIAL OVERVIEW
Income & Expenses
- 8** WHERE WE WORK
Areas We Serve
- 9** VOLUNTEERS
Making our Vision a Reality
- 10** EVENTS & PROGRAMS
Fundraising, Crisis Relief & Social Impact
- 20** FINANCIAL REPORT

HOW THINGS CHANGED IN 2020

Pre and Post COVID

Australia has confronted many challenges this financial year. From the Australian Bushfires razing much of the NSW and VIC countryside to the rapid spread of COVID-19, it is a testament to the strength and resilience of the Australian spirit that we have all persevered.

Pre COVID-19 (July 2019 - March 2020)

At the end of 2019, St. Merkorous Charity ended a fantastic year. Our growth led us to create objectives for a balanced and sustainable outcome, setting targets to diversify our revenue sources, building infrastructure to increase our future organisational sustainability, and create metrics and measurement systems that will pave the way for compliance to government & private funding opportunities.

Post COVID-19 (March 2020 - June 2020)

COVID-19 came with unavoidable challenges. The Food Bank Hunger Report found that COVID forced double the people to seek food relief at least once a week compared to last year. **1 in 5 children came from food-insecure households** in 2019, and the issue has undoubtedly worsened.



PRESIDENT'S ADDRESS

My story within St. Merkorous Charity is one of determination and love, of hope and a duty to serve. Being the Founder and President of a food relief charity is a story of leadership that is constantly humbled by the perseverance, resolve and generosity of all those who support us, and of those we support in turn.

It cannot be denied that Australia has a generous community and a social service that looks out for struggling members the best they can. However, many still fall through the cracks of logistics and criteria, red tape and bureaucracy.

This is where St. Merkorous Charity steps in. We listen. We do our best to give hope through the provision of food, donated goods, referral to services, or educational support. Our work reaches the furthest suburbs and urban centres, maintained by the undying support and passion of our volunteers, staff, donors and sponsors.

This is why we understand just how quickly COVID-19 hit NSW. Unemployment figures increased, critical resources became scarce, the economy fell into recession and those in the margins fell into a true disadvantage. Simultaneously, our supply channels and donations weakened while applications for our services rose to an all-time high. In response, we quickly adapted our processes to engage with as many as we could to support all we can. This year has been St Merkorous's creed in action: to give hope to our capacity in any situation.

Today, unemployment is still at 6.9%, a number exacerbated by the 1.5 million people on JobSeeker benefits. Food insecurity has doubled since 2019, with 39% of those people seeking food relief having never engaged with the system before. We are in the worst recession since WWII, and 1 in 5 children in Australia still live in food-insecure households. This knowledge drives St Merkorous to continue striving towards a better tomorrow.

Our story continues because of the steadfast spirit of those who have supported us so far. I am proud of our St. Merkorous family, and how we persevere against the darkness through faith and hope. Therefore, my last wishes are simple. May we all greet the future with anticipation and joy, grasping a better future for all.



Paula Nicholas
St. Merkorous Charity President & Founder

FINANCIAL OVERVIEW

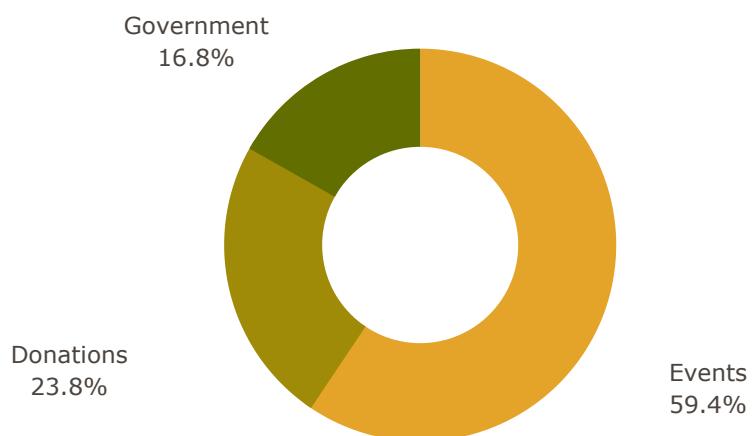
Revenue

EVENT REVENUE

Event Revenue was supported by our successful 2019 Inaugural Gala Night, raising near \$303,980 in a single night. Other successful fundraisers such as the 2019 J&J Metro West 25th Anniversary, whose efforts raised \$20,805 for us. Our success in 2019 was offset by the cancellation of our largest annual fundraiser Day At The Bay 2020, planned in March when COVID-19 lockdown restrictions came into place. This cut deeply into our anticipated funding for the coming year.

GOVERNMENT SUBSIDIES

For the past 2 years, St. Merkorous Charity has looked to diversify its revenue streams as part of our corporate strategy. We engaged external grant writers, Collappor8, in order to help us build our future organisational infrastructure, increasing our government subsidies dramatically.



DONATIONS

Our sponsorships and donations were impacted by COVID-19. We successfully retained **56 Corporate Sponsors**, who generously donated to our COVID-19 Appeal with \$22,970, used to bulk-buy supplies for COVID-19 impacted families. We also received many Foods and Goods donations for our Bargo Bushfire Appeal. Despite this, our overall donations decreased by 55% this financial year, from \$235,554 in 2019 to \$105,073 in 2020, meaning our total donations have decreased by \$130,481.



FINANCIAL OVERVIEW

Expenses

EMPLOYMENT COSTS

Some of our staff were eligible for JobKeeper, allowing us to offset some of our wage costs. 5 of our staff left during this financial year, of which 3 worked casually. COVID-19 transformed the delivery of our services, changing our hand-to-hand food services to a delivery model where our drivers send food directly to homes, distribution locations and families. This increased their hours and obligations as well as wages.

SUPPLIES

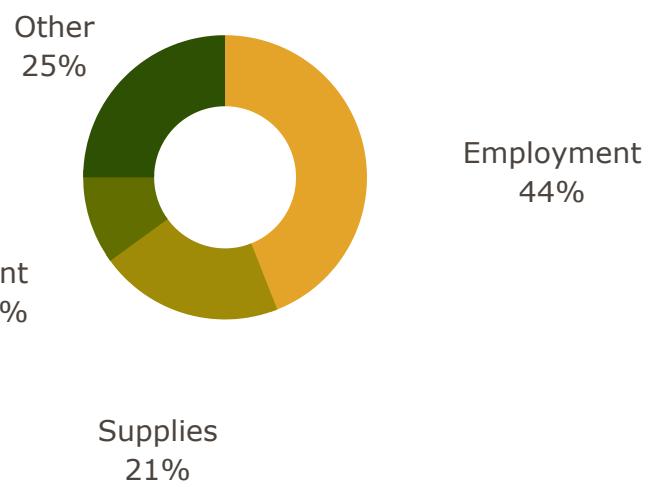
COVID-19 impacted our normal food supply routes for OzHarvest, Food Bank and Second Bite. We spent \$79,376 on bulk-buying food supplies to continue our Food Relief Service to the clients under our care, and \$17,116 used for food packaging and kitchen equipment. Increased costs were incurred to satisfy COVID-19 safety and hygiene standards, incurring costs of \$4,515 for PPE such as masks, sanitisers and cleaners.

RENT

Rent increased by 9% in comparison to 2019, from \$43,641 to \$47,695, with an increase of \$4054.

OTHER

This is the accumulated total of all other expenses. This includes computer expenses, gift vouchers for our clients, ground hire for our events, electricity, gas, recruiting expenses and so forth.



WHERE WE WORK

Food Relief Service Impact

Since our founding in 2013, St. Merkorous Charity has tried to do its part to address the largely hidden issue of food security in Australia. Our impact has only grown since then, having **community meals** in areas including:

- Blacktown
- Burwood
- Rhodes
- Fairfield
- Mount Druitt

Our **food delivery services** span most of Sydney. Even after transforming our service to delivery and cancelling our community meals due to COVID, we serve nearly 4,000 meals weekly to over 1,000 clients.

We Reach More People

We have a strict non-discrimination policy, allowing us to reach those who struggle to find aid because of red-tape, bureaucracy, or personal circumstances. That is why our Food Relief Services reaches a wide range of people, such as financially disadvantaged families, struggling students, the homeless, pensioners, the disabled, international students, the unemployed, the Indigenous and refugees. We will continue this service in the future as long as our charity still stands.



4,000

meals prepared per week

VOLUNTEERS

Making Our Vision a Reality

Our volunteer numbers reduced dramatically as most of our services are provided hand to hand. Our volunteers often personally offer food to those in our care. Consequently, St. Merkorous has adapted volunteering roles to social distancing laws as well as Fair Work Australia to include roles where direct contact is not required, such as delivery models.

In response to the sudden decrease in donations and volunteers, we joined the Canterbury-Bankstown Chamber of Commerce as well as employed a Corporate Liaison to engage with more diverse communities and therefore increase our reach, outlook and sponsorship opportunities. We have also employed external grant writers to increase our revenue sources and create future sustainability.

Volunteer with us!

Administration Support

Drivers

Hairdressers

Kitchen Hands

Telemarketers

Warehouse Assistants

Specialty Skills

<https://stmerkorous.org.au/become-a-volunteer/>



THE
SMALLEST
ACT OF
KINDNESS IS
WORTH
MORE THAN
THE
GRANDEST
INTENTION.

- Oscar Wilde

EVENTS

Fundraising

St. Merkorous Charity held its first charity gala dinner at Doltone House in August 2019, raising over \$300,000 in a single night for our cause to continue helping our local communities.

The event was attended by H.E. Charbel Macaron (Consul General of Lebanon), Hon. John Sidoti MP on behalf of the Premier, Dr Fiona Martin MP, Guy Zangari MP, Mayor John Faker, Mayor Gulian Vaccari, Cr Nella Hall, Cr Maryanne Duggan, Payce Foundation directors Dominic Sullivan and Whelan Wong, Paynter Dixon executive chairman James Boyd and other dignitaries and sponsors as well as a large crowd of friends, business corporates, family and supporters. St. Merkorous Charity's work with our Sydney Community was acknowledged as 'phenomenal' in identifying the needs in our communities and thanked for our continued efforts.

Other Notable Events

Other notable events included the J&J Metro West 25th Anniversary, which celebrated their success as a business, kindly promoting and raising awareness as well as donating all proceeds from the evening to St. Merkorous Charity.

We also participated in the Sydney Street Feast and Parramatta Street Feast during November 2019 with the help of our major sponsors, feeding hundreds of marginalised people across Sydney with conversation, community and compassion.



\$300K+

raised through our
events



FOOD RELIEF SERVICE

Our Free Core Service

We distributed meals to residential addresses through a food delivery service to those who are unable to attend our outreach services or pick-up from our kitchen. This is our primary form of food relief utilised by many on a weekly basis.

Our volunteers and clients pick-up food from the centre to distribute our offering to those who need it most. We have also set up distribution locations where volunteers can pick-up food hampers and fresh meals. This is how we are able to sustain delivery all across the state, from Penrith to Mt Druitt.

Our clients include the socioeconomically disadvantaged, disabled, homeless individuals, struggling international students and any others who come to St Merkorous experiencing food insecurity.

We also held community meals at St. Merkorous Church, Rhodes every fortnight, hiring a donated bus from Big Bus Co to pick up our disadvantaged clients from around the city and enjoy a warm and nutritious meal together. We offer opportunities for our guests to shower, utilise hairdressing services, and a warm community to connect with others.

We offer similar food services at Fairfield weekly on Monday, feeding approximately 100 people per event and at Burwood Park once a month. We also have the pleasure of feeding lunch to elderly parishioners at St. Joseph Maronite Catholic Church once a month after their morning mass, distributing takeaway containers of food while enjoying the company of our volunteers.



200K+

meals prepared and delivered per year

We have used COVID-19 as an opportunity to increase the efficiency of our organisation, creating organisational systems and transforming our compliance to enact long-lasting improvements on St. Merkorous's capacity. We are grateful that we have come out stronger despite the deep impact COVID-19 has left, and we know our work is hardly done.

In March 2020, St Merkorous hired a new warehouse across from our kitchen headquarters at 3/6-20 Braidwood St, Strathfield South to help us maintain social distancing regulations. The extra space allowed us to prepare dry and fresh hampers and store them safely.

Currently, we support 1015 clients, delivering approximately 3876 meals a week, equating to 201,552 meals a year. We stopped our community meals in Burwood, Fairfield and Rhodes to ensure compliance and safety. Instead, we began outreach services to feed the homeless, twice a week on Tuesday and Thursday, in areas such as Blacktown and Mount Druitt serving approximately 120 meals, and once a week in Parramatta serving approximately 80 meals.

We partnered with Kebouski, purchasing ready-made meals to deliver to our clients, and distributed hundreds of Roast Chicken to the vulnerable during the pandemic. There was a contact-less 'drive-thru' service we offered at our Strathfield Headquarters where clients would wait in their car while it was loaded with pantry staples for their family.

Our staff and volunteers all took part in COVID-19 training, run by the National Training Organisation, to ensure our hygiene and safety compliance. Participants were taught how to correctly handle food, ensure hygiene, and how to avoid transmission of the virus. These strategies were implemented on all levels of our organisation.



CHRISTMAS 2019

Helping Families in Need

This pre-Christmas period has seen our Charity Van pick up donations from multiple Montessori Academy campuses to support our families and bring joy during the festive season. During this drive, we managed to collect heaps of donations from kind donors. Thank you very much!

We also thank all of our generous volunteers who assisted with our hamper packing nights. It was wonderful to have so many youths involved. We had a special group of helpers from FX Tennis who were not only quick on the tennis court but were able to transfer this speed to hamper packing! Many were involved in playing a part to bring joy to those in need this Christmas.

Waranara School provides an environment for young people (aged 14-18) experiencing mental health issues and significant life challenges to re-engage with education. A group of students brought along donations and joined us in packing hampers to distribute to families in need during Christmas. They also packed cookie containers and shared a lovely morning tea.

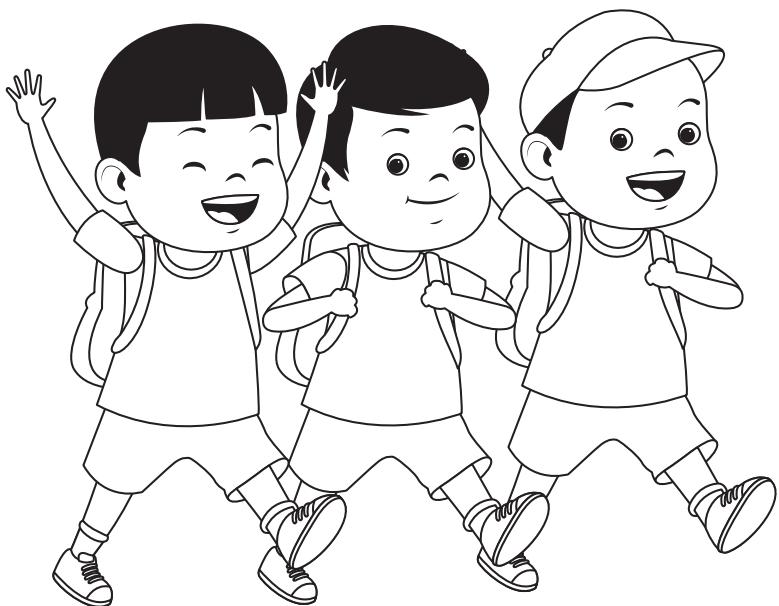


BREAKFAST CLUB

Bass High School

St. Merkorous also supplies food for the Bass High Breakfast Club, which enables students to have a filling breakfast and lunch. Overwhelming support and reviews from this program inspire us to try to expand to other schools in the future.

We are looking to support more schools in a similar vein to hold a Breakfast Club and are reaching out to any schools that may be interested in the future to empower more students to learn without a hungry stomach and engage with school and their community in a positive way.



OUR CRISIS APPEALS

FROM BUSHFIRES TO COVID-19. 2020 HAS BEEN A YEAR LIKE NO OTHER.

Bushfires

Faced with the horrifying Australian Bush Fires, St. Merkorous reached out to our sponsors and the community for donations that were delivered to those affected by the catastrophe. We received items such as water, facemasks, pantry goods, hygiene items, electrolytes, and baby food, all of which our volunteers drove out to the small town of Bargo.





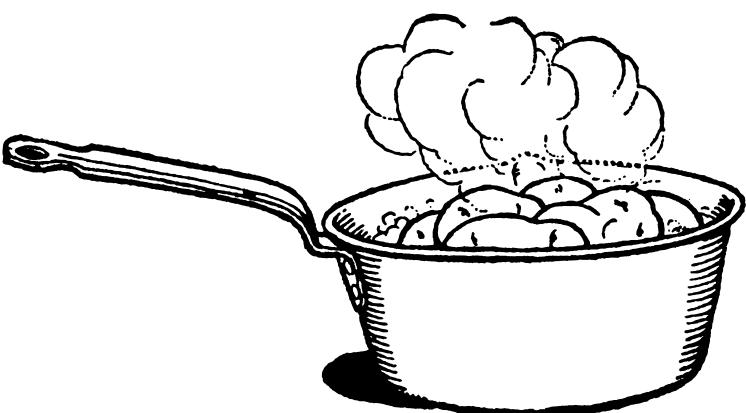
EDUCATION PROGRAMS

Gain Skills

St. Merkorous offer a Community Services Course through the Sydney Community College for several of our clients to gain real, employable skills and break their cycle of poverty from the root. In the same manner, we offered Certificate I and II in Hospitality in partnership with National Training Organisation (NTO) for interested clients so that they become more employable. This empowers their successful exit from our Food Relief Program, to the pride and joy of everyone involved.

Currently, we have successfully hosted 5 students to completion in Hospitality Course I & II in our kitchens and sponsored 7 students to graduation in Community Services with Sydney Community College.

We also provide weekly art classes for the homeless since 2019, taught by a volunteer who is a professional artist, committed to continue for the coming year as well. The classes are held in a local donated church hall in Rhodes.





SOCIAL IMPACT CASE STUDY

Employment Pathways

*Name was omitted for the sake of anonymity

St. Merkorous has always wished to do more to cut poverty at its roots.

Poverty is a relentless cycle. Disadvantage leads to diminished opportunities, and diminished opportunities continues disadvantage. Breaking the cycle often requires external support.

In July 2019, St. Merkorous created outreach programs to assist the homeless and disadvantaged in the communities they engaged with. For those interested in our care, we offered educational opportunities by partnering with Sydney Community College to provide a Community Services Course. We also provided Hospitality Certificate I and II to 5 candidates with the National Training Organisation (NTO), of which they were provided with an award ceremony on the 23rd of July.

This has happily led to success stories such as E*.

E was a young homeless man we first engaged through our Food Relief Service. After increased interaction with our volunteers, staff, and passionate workers, he accepted our offer to connect him to further education. He has since successfully completed his qualifications in Hospitality Certificate 1 & 2 and found sustainable housing and employment through his new skills.

We were so proud to receive the following testimonial from E after he wrote to us to cancel his food delivery because of his new-found stability in life.

To all members of St. Merkorous Charity,

I, E*, wish to thank you all for helping me by allowing me to participate in the Hospitality Course certificate I and 2. Also, for the help, I received with pre-cooked food this year. I have now gained part-time employment, this is why I have decided to cancel my weekly food delivery from your organisation. It was extremely helpful for me during the course of this year. Thank you so much, to everyone from the administration team, the cooks and the volunteer team through to the wonderful people who delivered these meals to me. Once again thanks for your love and support, may God bless each and every one of you.

Thank you,
Regards, E.

ST MERKORIOUS CHARITY ASSOCIATION INCORPORATED
ABN 32 146 235 527

**FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2020**

Prepared by
Prolink Business Solutions
Chartered Accountants

ST MERKORIOUS CHARITY ASSOCIATION INCORPORATED
ABN 32 146 235 527

CONTENTS

Committee's Report

Income Statement

Statement of Financial Position

Statement of Cash Flow

Notes to the Financial Statements

Statement by Members of the Committee

Compilation Report

Auditors' Report

Auditors' Independence Declaration

Certificate by Members of the Committee

ST MERKORIOUS CHARITY ASSOCIATION INCORPORATED
COMMITTEE'S REPORT

Your committee members submit the financial report of the ST MERKORIOUS CHARITY ASSOCIATION INCORPORATED for the financial year ended 30 June 2020.

Committee Members

The name of each member of the committee during the year and if different, at the date of the report;

Paula Nicolas

Patrick Chow

Dorian Sarkissian

Principal Activities

The principal activities of the association during the financial year were:

Providing nutritious meals to elderly sick disabled homeless and disadvantaged people.

Significant Changes

No significant change in the nature of these activities occurred during the year.

Operating Result

The loss of the association amounted to \$38,995.

Signed in accordance with a resolution of the Members of the Committee.

Committee
Member:



Paula Nicolas

Committee
Member:



Patrick Chow

Committee
Member:



Dorian Sarkissian

Dated this 23 day of November 2020

ST MERKORIOUS CHARITY ASSOCIATION INCORPORATED

**INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020**

	Note	2020 \$	2019 \$
INCOME			
Donation		<u>105,073</u>	<u>235,554</u>
OTHER INCOME			
Interest Received		102	77
Government Subsidies		48,669	35,240
JobKeeper Payment		24,000	-
Gross profit from trading		<u>264,332</u>	<u>349,719</u>
		<u>337,103</u>	<u>385,036</u>
		<u>442,176</u>	<u>620,590</u>

The accompanying notes form part of these financial statements.

ST MERKORIOUS CHARITY ASSOCIATION INCORPORATED

**INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020**

	Note	2020 \$	2019 \$
EXPENDITURE			
Bank Charges		1,383	857
Bus Hire		3,273	-
Cleaning		785	566
Computer Expenses		9,364	775
Client Disbursements		1,279	4,241
Depreciation		1,056	35,103
Electricity		11,309	18,025
Gas		2,369	3,428
Ground Hire		613	-
General Expenses		1,360	1,387
Gift Vouchers		(1,501)	8,800
Hire Purchase Charges		1,032	1,433
Insurance		11,575	10,227
Motor Vehicle Expenses		12,652	20,157
Printing & Stationery		(399)	2,513
Recruitment		285	280
Rent		47,695	43,641
Repairs & Maintenance		8,068	5,522
Salaries & Wages		210,172	200,065
Supplies		101,008	165,830
Staff Training & Welfare		1,331	-
Subcontracting Expenses		26,268	41,127
Superannuation Contributions - Employees		18,078	18,151
Telephone		3,847	3,869
Tolls		657	2,831
Waste Disposal		7,876	7,979
Uniforms		(265)	408
		<u>481,170</u>	<u>597,215</u>
Profit/(Loss) before income tax		<u>(38,994)</u>	<u>23,375</u>
Profit/(Loss) for the year		(38,994)	23,375
Retained earnings at the beginning of the financial year		<u>78,646</u>	<u>55,271</u>
Retained earnings at the end of the financial year		39,652	78,646

The accompanying notes form part of these financial statements.

ST MERKORIOUS CHARITY ASSOCIATION INCORPORATED

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020**

	Note	2020 \$	2019 \$
CURRENT ASSETS			
Cash and cash equivalents	2	36,491	23,647
Trade and other receivables	3	18,749	67,305
TOTAL CURRENT ASSETS		55,240	90,952
NON-CURRENT ASSETS			
Property, plant and equipment	4	16,513	21,997
TOTAL NON-CURRENT ASSETS		16,513	21,997
TOTAL ASSETS		71,753	112,949
CURRENT LIABILITIES			
Trade and Other Payables	5	13,523	6,287
Borrowings	6	18,578	28,016
TOTAL CURRENT LIABILITIES		32,101	34,303
NON-CURRENT LIABILITIES			
Borrowings	6	-	-
TOTAL NON-CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		32,101	34,303
NET ASSETS		39,652	78,646
MEMBERS' FUNDS			
Retained earnings	7	39,652	78,646
TOTAL MEMBERS' FUNDS		39,652	78,646

The accompanying notes form part of these financial statements.

ST MERKORIOUS CHARITY ASSOCIATION INCORPORATED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020**

	2020 \$	2019 \$
CASH FLOWS FROM OPERATING		
Receipts from operating activities	470,926	469,017
Payments to suppliers and employees	(447,714)	(480,176)
Interest received	102	77
Net cash provided by operating activities	23,314	(11,082)
CASH FLOWS FROM INVESTING		
Payments for plant and equipment	-	(33,583)
Net cash provided by (used in) investing activities	-	(33,583)
CASH FLOWS FROM FINANCING		
Payment of Borrowings	(10,470)	(10,470)
Proceeds from short-term borrowings	-	-
Proceeds from long-term borrowings	-	-
Net cash provided by (used in) financing activities	(10,470)	(10,470)
Net increase in cash held	12,844	(55,135)
Cash at beginning of financial year	23,647	78,782
Cash at end of financial year (Note 2)	36,491	23,647

The accompanying notes form part of these financial statements.

ST MERKORIOUS CHARITY ASSOCIATION INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

1 Statement of Significant Accounting Policies

This financial report is a special purpose financial report and it has been prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act NSW. The committee has determined that the association is not a reporting entity.

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

AASB 101:	Presentation of Financial Statements
AASB 107:	Cash Flow Statements
AASB 108:	Accounting Policies, Changes in Accounting Estimates and Errors
AASB 110:	Events after the Balance Sheet Date
AASB 116:	Property, Plant and Equipment
AASB 1031:	Materiality
AASB 1048	Interpretation and Application of Standards

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

The following is a summary of the material accounting policies adopted by the association in the preparation of this report. Unless otherwise stated, the accounting policies are consistent with the previous period.

Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Impairment of Non-Financial Assets

At the end of each reporting period the association determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

ST MERKORIOUS CHARITY ASSOCIATION INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss , except for goodwill.

Cash and Cash Equivalents

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

Revenue and Other Income

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

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

Interest revenue

Interest revenue is recognised using the effective interest rate method.

Rendering of services

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably.If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period. If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

Revenue from training services is generally recognised once the training has been delivered.

ST MERKORIOUS CHARITY ASSOCIATION INCORPORATED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

	2020 \$	2019 \$
2 Cash and Cash Equivalents		
Cash on Hand	396	1,392
Cash Card - Load & Go	-	20
Cash at Bank #1	35,451	22,235
Mastercard	644	-
	<u>36,491</u>	<u>23,647</u>

Reconciliation of cash

Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:

Cash and cash equivalents	<u>36,491</u>	<u>23,647</u>
	<u>36,491</u>	<u>23,647</u>

3 Trade and Other Receivables

Current

Trade Debtors	11,000	60,000
Rental Bonds	1,650	2,150
GST Receivable	6,099	5,155
	<u>18,749</u>	<u>67,305</u>

ST MERKORIOUS CHARITY ASSOCIATION INCORPORATED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

	2020 \$	2019 \$
4 Property, Plant and Equipment		
Land and Buildings		
Leasehold Improvements	234,317	234,317
Less: Accumulated Depreciation	<u>(234,317)</u>	<u>(234,317)</u>
	-	-
Total Land and Buildings	<u>-</u>	<u>-</u>
Kitchen Plant & Equipment	242,579	242,579
Less: Accumulated Depreciation	<u>(242,212)</u>	<u>(242,120)</u>
	366	459
	<u>366</u>	<u>459</u>
Motor Vehicles	99,218	99,218
Less: Accumulated Depreciation	<u>(85,936)</u>	<u>(81,508)</u>
	13,282	17,710
	<u>13,282</u>	<u>17,710</u>
Office Furniture & Equipment	17,980	17,980
Less: Accumulated Depreciation	<u>(15,116)</u>	<u>(14,152)</u>
	2,864	3,828
	<u>2,864</u>	<u>3,828</u>
Total Property, Plant and Equipment	<u>16,513</u>	<u>21,997</u>
5 Trade and Other Payables		
Current		
Other Creditors		
Superannuation Payable	5,616	778
PAYG Withholding Tax Payable	<u>7,907</u>	<u>5,509</u>
	13,523	6,287
	<u>13,523</u>	<u>6,287</u>

ST MERKORIOUS CHARITY ASSOCIATION INCORPORATED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

	2020	2019
	\$	\$
6 Borrowings		
Current		
Hire Purchase Liability	18,645	29,115
Less: Unexpired Hire Purchase Liability	(67)	(1,099)
Total current borrowings	<u>18,578</u>	<u>28,016</u>
Non-Current		
Hire Purchase Liability	-	-
Less Unexpired Hire Purchase Liability	-	-
Total non-current borrowings	<u>-</u>	<u>-</u>
 Total borrowings	 <u>18,578</u>	 <u>28,016</u>
 7 Retained Earnings		
Retained earnings at the beginning of the financial year	78,646	55,272
Net profit/(loss) attributable to the association	(38,994)	23,374
Retained earnings at the end of the financial year	<u>39,652</u>	<u>78,646</u>
 8 Donation of Goods and Services		
During the 2020 financial year, the association received \$20,148 worth of fruit and vegetables by way of donations. The value of the donations was recognised as income. The goods were used in the operations, therefore an equivalent value of fruit and vegetables was included in expense.		

ST MERKORIOUS CHARITY ASSOCIATION INCORPORATED

STATEMENT BY MEMBERS OF THE COMMITTEE

The committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 2 to the financial statements.

In the opinion of the committee the financial report:

1. Presents a true and fair view of the financial position of ST MERKORIOUS CHARITY ASSOCIATION INCORPORATED as at 30 June 2020 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that ST MERKORIOUS CHARITY ASSOCIATION INCORPORATED will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:

President:



Paula Nicolas

Treasurer:



Patrick Chow

Dated this 23 day of

November 2020

**COMPILATION REPORT
TO THE MEMBERS OF ST MERKORIOUS CHARITY
ASSOCIATION INCORPORATED
ABN 32 146 235 527**

We have complied the accompanying special purpose financial statements of ST. MERKORIOUS CHARITY ASSOCIATION INCORPORATED A.B.N. 32 146 235 527, which comprise the statement of financial Position as at 30 June 2020, income statement and statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is set out in note 1.

The Responsibility of the committee

The committee of St. Merkorous Charity Association Inc are solely responsible for the information contained in the special purpose financial statements, the reliability, accuracy and completeness of the information and for the determination that the financial reporting frame work used is appropriate to meet their needs and for the purpose that the financial statements were prepared.

Our Responsibility

On the basis of information provided by the committee, we have compiled the accompanying special purpose financial statements in accordance with the financial reporting framework as described in Note 1 to the financial statements and APES 315 Compilation of Financial Information.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with the financial reporting framework described in Note 1 to the financial statements. We have complied with the relevant ethical requirements of APES 110 Code of Ethics for Professional Accountants including Independence Standards.

Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The special purpose financial statements were compiled exclusively for the benefit of the committee who are responsible for the reliability, accuracy and completeness of the information used to compile them. Accordingly, these special purpose financial statements may not be suitable for other purposes. We do not accept responsibility for the contents of the special purpose financial statements.

Name of Firm: **Prolink Business Solutions**

Chartered Accountants

Name of Principal: 

Patrick Chow, CA

Address: Suite 2 Level 1, 80 Phillip Street, Parramatta NSW 2150

Dated this 23 day of November 2020

ST MERKORIOUS CHARITY ASSOCIATION INC.
Independent Auditors' Report
to the Members of
ST MERKORIOUS CHARITY ASSOCIATION INC.

Report on the Financial Report

We have audited the accompanying financial report of ST MERKORIOUS CHARITY ASSOCIATION INC. (the association), which comprises the statement of financial position as at 30 June 2020, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Associations Incorporation Act 2009 and for such internal control as the committee determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In Note 1, the committee also state, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that the financial statements comply with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Opinion

In our opinion,

- a. the financial report of ST MERKORIOUS CHARITY ASSOCIATION INC. is in accordance with the Associations Incorporation Act 2009, including:
 - i. giving a true and fair view of the Association's financial position as at 30 June 2020 and of its performance for the year ended on that date; and
 - ii. complying with Australian Accounting Standards and

ST MERKORIOUS CHARITY ASSOCIATION INC.
Independent Auditors' Report
to the Members of
ST MERKORIOUS CHARITY ASSOCIATION INC.

the Associations Incorporation Act 2009

- b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.



Jayant Gulwadi
JAG Business Advisory
Bankstown
24th November 2020

**Auditors Independence Declaration
Under Section 307C of the Corporations Act 2001**

To Members of ST MERKORIOUS CHARITY ASSOCIATION INC.

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2020, there have been:

- a) no contraventions of the auditor independence requirements in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.



Jayant Gulwadi
JAG Business Advisory
Bankstown
24th November 2020

ST MERKORIOUS CHARITY ASSOCIATION INCORPORATED

CERTIFICATE BY MEMBERS OF THE COMMITTEE

I, Paula Nicolas of 103 The Boulevarde Strathfield, certify that:

- (a) I attended the annual general meeting of the association held on 26 November 2020.
- (b) The financial statements for the year ended 30 June 2020 were submitted to the members of the association at its annual general meeting.

Dated this day of

Committee
Member:

Paula Nicolas





The four pillars of food security are availability, access, utilisation and stability.



THANK YOU TO OUR MAJOR SPONSORS





Help our cause now by donating! Let us stand together against poverty and fight and fight hunger and food insecurity in NSW. Help us transform lives by sharing hope and love throughout our local communities who need it most. If you are interested in supporting our cause, contact us on 9799 9954, or check out our website <https://stmerkorous.org.au>. We would love to hear from you!



St. Merkorous Charity

Our Resolution

We have overcome the worst months of 2020 by demonstrating unbreakable determination to continue our food relief services with all we had, dipping into our reserves, transforming our modes of delivery, and keeping all of those in our care fed with nutritious meals.

Poverty and food insecurity are relatively hidden issues in Australia, and we strive to continue providing what we can in the coming years. Our ambitions are not restricted to food, but to long-term educational programs and employment pathway opportunities to cut poverty at its root. The greatest way to show we care is through dedication and action.