

QUAKER SERVICE AUSTRALIA INCORPORATED
ABN 35 989 797 918

FINANCIAL REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2008

QUAKER SERVICE AUSTRALIA INCORPORATED
ABN 35 989 797 918

TABLE OF CONTENTS

Management Committee's Report	1
Auditor's Independence Declaration	3
Financial Report	
Income Statement	4
Balance Sheet	5
Statement of Changes in Equity	6
Cash Flow Statement	7
Notes to the Financial Statements	8 - 13
Statement by Members of the Management Committee	14
Independent Audit Report	15

QUAKER SERVICE AUSTRALIA INCORPORATED

MANAGEMENT COMMITTEE'S REPORT

Your committee members submit the financial report of the QUAKER SERVICE AUSTRALIA INCORPORATED for the financial year ended 30 September 2008.

Committee Members

The names of committee members throughout the year and at the date of this report are:

Jane Drexler (Member full year, Convenor from 7/1/08)

David Cooper (Member, Convenor to 7/1/08)

Elaine Polglase (Treasurer & Public Officer)

Jackie Perkins (Staff)

John Dundas (Volunteer Staff)

Maureen Steele (Retired at 7/1/08)

Jean Hart

Halcyon Evans

Audrey Wilson

Michael Wilson (Appointed at 7/1/08)

The Regional Meeting Quaker Service Committee Representatives and Convenors are :-

	<u>Representatives</u> (Who are also member of the Committee)	<u>Convenor</u>
Canberra	Gabrielle Watt	Gabrielle Watt
Queensland	Ian Stevenson	Ian Stevenson
South Australia	Coral Coleman	Coral Coleman
New South Wales	Rae Litting	Rae Litting
Tasmania	Gill Fitzgerald	Gill Fitzgerald
Victoria	Alan Clayton	Alan Clayton
West Australia	Mike Hennessy	Mike Hennessy

Principal Activities

The principal activity of the association during the financial year was the provision of aid for humanitarian projects in Australia and overseas.

Significant Changes

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

Operating Result

The surplus from ordinary activities after providing for income tax amounted to \$16,453.

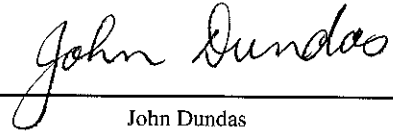
After Balance Date Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the association, the results of those operations, or the state of affairs of the association in future financial years.

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



Jane Drexler



John Dundas

Dated this 30th day of December 2008

NEXIA COURT & CO



CHARTERED
ACCOUNTANTS

ABN 71 502 156 733

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QUAKER SERVICE AUSTRALIA INCORPORATED

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF QUAKER SERVICE AUSTRALIA INCORPORATED

I declare that, to the best of my knowledge and belief, during the year ended 30 September 2008 there have been:

- i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Nexia Court & Co
Chartered Accountants

Robert Mayberry
Partner

30 December 2008

Partners

Stephen J Rogers
Ian D Stone
Paul W Lenton
Neil R Hillman
Stephen W Davis
David M Gallery
Robert A McGuinness
Kirsten Taylor-Martin
Andrew S Hoffmann
Graeme J Watman
David R Cust
Craig J Wilford
Sean P Urquhart
Robert Mayberry
Russell Reid

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AND CONSULTING FIRMS.



QUAKER SERVICE AUSTRALIA INCORPORATED

**INCOME STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

	Notes	2008 \$	2007 \$
Operating activities			
Revenue			
Donation and gifts		294,818	293,285
Grants			
- AusAID		150,000	150,000
- Other Australian			--
- Other overseas			--
- Interest from financial institutions		15,130	12,724
- Legacies and bequests		22,713	-
- Gifts in kind		1,436	-
Total Revenue		484,097	456,009
Less: Disbursements:			
Expenses			
Employee benefits expense		(46,898)	(42,824)
Depreciation and amortisation expenses		(1,101)	(1,161)
Overseas project: -			
Funds to overseas projects		(300,413)	(259,671)
Other project cost		-	-
Domestic projects		(75,810)	(20,795)
Fund raising costs			
- public	1(g)	(4,440)	(4,100)
- Government and multilaterals		(1,617)	(71)
Community Education		(17,109)	(1,563)
Administration - other	2	(20,256)	(24,667)
Total Expense		(467,644)	(354,852)
Surplus/(deficiency) before income tax		16,453	101,157
Income tax expense	1(b)	-	-
Surplus/(deficiency) of revenue over disbursements		16,453	101,157

The accompanying notes form part of these financial statements.

QUAKER SERVICE AUSTRALIA INCORPORATED

**BALANCE SHEET
AS AT 30 SEPTEMBER 2008**

	Notes	2008 \$	2007 \$
CURRENT ASSETS			
Cash and cash equivalents	3	260,598	260,284
Financial assets	4	<u>231,736</u>	<u>217,018</u>
TOTAL CURRENT ASSETS		<u>492,334</u>	<u>477,302</u>
NON-CURRENT ASSETS			
Property, plant and equipment	5	<u>4,035</u>	<u>2,068</u>
TOTAL NON-CURRENT ASSETS		<u>4,035</u>	<u>2,068</u>
TOTAL ASSETS		<u>496,369</u>	<u>479,370</u>
CURRENT LIABILITIES			
Trade and other payables	6	<u>595</u>	<u>49</u>
TOTAL CURRENT LIABILITIES		<u>595</u>	<u>49</u>
NON-CURRENT LIABILITIES			
Provisions		-	-
Payable		<u>-</u>	<u>-</u>
TOTAL LIABILITIES		<u>595</u>	<u>49</u>
NET ASSETS		<u>495,774</u>	<u>479,321</u>
EQUITY			
Retained earnings		<u>495,774</u>	<u>479,321</u>
TOTAL EQUITY		<u>495,774</u>	<u>479,321</u>

The accompanying notes form part of these financial statements.

QUAKER SERVICE AUSTRALIA INCORPORATED
ABN 35 989 797 918

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2008

	Retained Earnings	Total
	\$	\$
Balance at 1 October 2007	479,321	479,321
Excess of revenue over expenditure	<u>16,453</u>	<u>16,453</u>
Balance at 30 September 2008	<u>495,774</u>	<u>495,774</u>

The accompanying notes form part of these financial statements.

QUAKER SERVICE AUSTRALIA INCORPORATED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

	Notes	2008 \$	2007 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Bequests		22,713	-
Grant			
- AusAID		150,000	150,000
- Other Australian		-	-
- Other Overseas		-	-
Donations received		294,818	293,285
Disbursements of payment		(465,997)	(353,484)
Interest received		<u>15,130</u>	<u>12,724</u>
Net cash provided by operating activities	7(a)	<u>16,664</u>	<u>102,525</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		<u>(1,632)</u>	<u>(1,544)</u>
Net cash used in investing activities		<u>(1,632)</u>	<u>(1,544)</u>
Net increase in cash held		15,032	100,981
Cash at beginning of financial year		<u>477,302</u>	<u>376,321</u>
Cash at end of financial year	(a)	<u>492,334</u>	<u>477,302</u>
(a) Reconciliation of cash			
Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:			
Cash and cash equivalent		260,598	260,284
Financial assets		<u>231,736</u>	<u>217,018</u>
		<u>492,334</u>	<u>477,302</u>

The accompanying notes form part of these financial statements.

QUAKER SERVICE AUSTRALIA INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2008

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Council for International Development Code of Conduct Financial Standards, the Associations Incorporation Act 1986 and the Constitution. It has been prepared in accordance with Accounting Standards, other appropriate professional reporting requirements and the historical cost convention. Unless otherwise stated, the accounting policies adopted are consistent with those of the previous year.

The financial report is for the entity QUAKER SERVICE AUSTRALIA INCORPORATED as an individual entity. QUAKER SERVICE AUSTRALIA INCORPORATED is an association incorporated in New South Wales under the Associations Incorporation Act 1984.

The following is a summary of the material accounting policies adopted by the association in the preparation of the financial report.

Accounting Policies

(a) Revenue

Revenue from sale of goods is recognised upon the delivery of goods to customers.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Other revenue is recognised when the right to receive the revenue has been established.

All revenue is stated net of the amount of goods and services tax (GST).

(b) Income Tax

The association is endorsed as an income tax exempt charity.

(c) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(d) Property, Plant and Equipment

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

Depreciation

The depreciable amount of all fixed assets are depreciated over the useful lives of the assets to the association commencing from the time the asset was held ready for use.

(e) Financial Assets

Available-for-sale financial assets

All investments are classified as available-for-sale financial assets. Available-for-sale financial assets are reflected at fair value unless the fair value cannot be reliably measured.

(f) Donated services

The association partly relies on voluntary services of its supporters. These services are not brought to account.

Overseas Development Work

However, the management committee estimates that the volunteer time devoted to overseas development work calculated according to the Australian pay rate as outlined in the AUSAid ENGOPI, for the financial year was \$964.80.

Community Education

The committee also estimates that the donated volunteer time devoted to Community Education was \$4,067.13. This is in addition to the Community Education expense (\$17,108.79), shown under Disbursements in the Income Statement (page 4), giving a total amount for Community Education of \$21,175.92.

(g) Disbursements

Project disbursements are accounted for when paid and administration costs taken up as incurred.

QUAKER SERVICE AUSTRALIA INCORPORATED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) 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. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities which are disclosed as operating cash flows.

(i) Comparative Figures

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

	2008	2007
	\$	\$
NOTE 2: ADMINISTRATION COSTS - OTHER		
Audit fees	3,500	3,200
Bank and credit card fees	802	784
Computer expenses	2,018	2,129
General expenses	646	134
Insurance	2,805	3,266
Office expenses	3,724	2,167
Rent	3,600	3,600
Subscriptions	5,155	4,634
Telephone	1,297	1,224
Training expenses	4,885	6,164
Travelling expenses	1,377	5,246
Workers compensation	<u>159</u>	<u>183</u>
	29,968	32,731
Less: overheads allocated to projects	<u>(9,712)</u>	<u>(8,064)</u>
	<u>20,256</u>	<u>24,667</u>

NOTE 3: CASH AND CASH EQUIVALENTS

Cash on hand	200	916
Cash at bank	<u>260,398</u>	<u>259,368</u>
	<u>260,598</u>	<u>260,284</u>

In addition to the cash balance of \$260,598 (2007: \$260,284), there are an addition of \$231,706 (2007: \$217,018) being classified as financial asset in balance sheet. Please refer to note (a) of the Cash Flow Statement in P.7 for the reconciliation of the cash at the end of the financial year as shown in the cash flow statement to the items in the balance sheet.

QUAKER SERVICE AUSTRALIA INCORPORATED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

	Note	2008 \$	2007 \$
NOTE 4: FINANCIAL ASSETS			
Summary of financial assets			
Tasmanian Perpetual Trustee deposits		<u>231,736</u>	<u>217,018</u>
The effective interest rate on these deposits was 6.1% (2007: 6.1%) and they are on call with 7 days notice.			
NOTE 5: PROPERTY, PLANT AND EQUIPMENT			
PLANT AND EQUIPMENT			
At cost		7,925	4,857
Less accumulated depreciation		<u>(3,890)</u>	<u>(2,789)</u>
		<u>4,035</u>	<u>2,068</u>
NOTE 6: TRADE AND OTHER PAYABLES			
CURRENT			
Unsecured liabilities			
Sundry creditors and accruals		<u>595</u>	<u>49</u>

QUAKER SERVICE AUSTRALIA INCORPORATED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

	Note	2008 \$	2007 \$
NOTE 7: CASH FLOW INFORMATION			
(a) Reconciliation of cash flow from operations with profit from ordinary activities after income tax			
Surplus after income tax		16,453	101,157
Non-cash flows in profit			
Gifts in kind		(1,436)	-
Depreciation		1,101	1,161
Changes in assets and liabilities			
Change in other assets		-	158
Change in payables		<u>546</u>	<u>49</u>
Cash flows from operations		<u><u>16,664</u></u>	<u><u>102,525</u></u>

QUAKER SERVICE AUSTRALIA INCORPORATED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

NOTE 8: TABLE OF CASH MOVEMENTS FOR DESIGNATED PURPOSES

The table discloses the movement of cash received for a designated purpose that is 10% of total revenue for the year.

Designated Purpose	Cash available at beginning of the year \$	Cash raised during the year \$	Cash disbursed during the year \$	Cash available at the end of the year \$
Aus Aid Funded Projects				
Administration				
Administration ANCP Projects 2008	9,550	-	(9,550)	
Administration ANCP Projects 2009	-	10,000	(1,962)	8,038
Cambodia				
Continued Support 50 Farmers in Two Villages	15,684	-	(15,684)	-
Support for Bun Rany Hunsen Development Support Centre	21,258	7,769	(29,027)	-
Food Security Kampong Thom		31,572	(5,270)	26,302
Pursat Vocational Training		41,243	(8,253)	32,990
Uganda				
Food and water security for 120 farmers in Rakai District	48,668	3,425	(52,093)	-
Uganda Food/Water Security	-	89,112	(38,409)	50,703
India				
Poverty Alleviation among women's Self Help groups Tamil Nadu	65,755	1,700	(67,455)	-
Support for Womens Self Help Groups in Tamil Nadu	-	76,794	(27,855)	48,939
Sub Total	160,915	261,615	(255,558)	166,972
Tsunami Appeals	--			-
Other Purposes	316,387	221,046	(212,071)	325,362
TOTAL	477,302	482,661	(467,629)	492,334

QUAKER SERVICE AUSTRALIA INCORPORATED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

Note	2008	2007
	\$	\$

NOTE 9: CONTINGENT LIABILITIES AND ASSETS

Contingent Liabilities

Pursuant to a deed of arrangement dated 30 March 2004 the association has a contingent liability jointly with the Religious Society of Friends (Quakers) in Australia Incorporated to reimburse a former employee any unfunded sick leave taken after the date of the signing of the deed, to a maximum of 168 days at the rate of pay current at the time, provided that the former employee remains with the present employer.

NOTE 10: ASSOCIATION DETAILS

The principal place of business of the association is:

QUAKER SERVICE AUSTRALIA INCORPORATED

119 Devonshire Street

SURRY HILLS NSW 2010

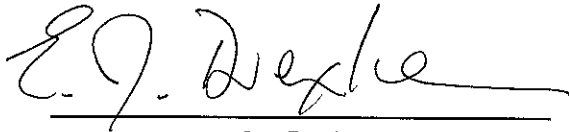
QUAKER SERVICE AUSTRALIA INCORPORATED

STATEMENT BY MEMBERS OF THE MANAGEMENT COMMITTEE

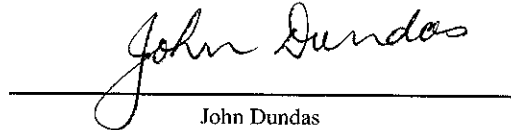
In the opinion of the committee the financial report as set out on pages 13:

1. Presents a true and fair view of the financial position of QUAKER SERVICE AUSTRALIA INCORPORATED as at 30 September 2008 and its performance for the year ended on that date in accordance with the Australian Council for International Development Code of Conduct Financial Standards, the Associations Incorporation Act 1984 (NSW) and other mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that QUAKER SERVICE AUSTRALIA 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 management committee and is signed for and on behalf of the Management Committee by:



Jane Drexler



John Dundas

Dated this ^{30th} day of December 2008

NEXIA COURT & CO



CHARTERED
ACCOUNTANTS

ABN 71 502 156 733

QUAKER SERVICE AUSTRALIA INCORPORATED INDEPENDENT AUDIT REPORT TO THE MEMBERS OF QUAKER SERVICE AUSTRALIA INCORPORATED

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Scope

We have audited the financial report of QUAKER SERVICE AUSTRALIA INCORPORATED for the financial year ended 30 September 2008 being the income statement, balance sheet, statement of changes in equity, cash flow statement, notes to the financial statements and the statement by members of the management committee

The management committee is responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards, the Australian Council for International Development Code of Conduct Financial Standards and the Associations Incorporation Act 1984 (NSW) and other mandatory professional reporting requirements in Australia so as to present a view which is consistent with our understanding of the association's financial position and performance as represented by the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit Opinion

In our opinion, the financial report of QUAKER SERVICE AUSTRALIA INCORPORATED presents a true and fair view in accordance with applicable Accounting Standards, the Australian Council for International Development Code of Conduct Financial Standards, the Associations Incorporation Act 1984 (NSW) and other mandatory professional reporting requirements in Australia, the financial position of QUAKER SERVICE AUSTRALIA INCORPORATED as at 30 September 2008 and the results of its operations and its cash flows for the year then ended.

Nexia Court & Co.

Chartered Accountants

Robert Mayberry

Partner

30 DECEMBER, 2008

Partners

Stephen J Rogers
Ian D Stone
Paul W Lenton
Neil R Hillman
Stephen W Davis
David M Gallery
Robert A McGuinness
Kirsten Taylor-Martin
Andrew S Hoffmann
Graeme J Watman
David R Cust
Craig J Wilford
Sean P Urquhart
Robert Mayberry
Russell Reid

Sydney

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