

**Horn of Africa Relief & Development Agency of Australia Incorporated  
Financial Statements**

**For the Year ended 30 June 2012**

# **Horn of Africa Relief & Development Agency of Australia Incorporated**

## **Annual Report for the Year Ended 30 June 2012**

<i>Contents</i>	<i>Page</i>
Balance Sheet .....	2
Profit & Loss Statement .....	3
Notes to the Accounts .....	4, 5
Statement by Members of the Executive Committee .....	6
Independent Audit Report .....	7, 8

**Horn of Africa Relief & Development Agency of Australia Incorporated**  
**Balance Sheet**  
**As at 30 June 2012**

	Note	2012 \$	2011 \$
<b>Current Assets</b>			
Cash and Cash Equivalents	1(a)	72,059.17	22,805.28
Amounts receivable		1,640.00	2,445.00
Inventories		420.93	-
<b>Total Current Assets</b>		<u>74,120.10</u>	<u>25,250.28</u>
<b>Total Assets</b>		<u>74,120.10</u>	<u>25,250.28</u>
<b>Current Liabilities</b>			
Trade creditors and accruals		884.79	938.35
Provision for future project expenditure		62,233.09	15,556.06
<b>Total Current Liabilities</b>		<u>63,117.88</u>	<u>16,494.41</u>
<b>Total Liabilities</b>		<u>63,117.88</u>	<u>16,494.41</u>
<b>Net Assets</b>		<u>11,002.22</u>	<u>8,755.87</u>
<b>Equity</b>			
Retained Profits brought forward		8,755.87	3,646.66
Adjustment to bring to account inventory and petty cash balances		384.60	-
Profit (Loss) for the year		1,861.75	5,109.21
<b>Total Equity</b>		<u>11,002.22</u>	<u>8,755.87</u>

*The accompanying notes form part of these financial statements.*

**Horn of Africa Relief & Development Agency of Australia Incorporated**  
**Profit and Loss Statement**  
**For the Year ended 30 June 2012**

	Note	2012 \$	2011 \$
<b>Income</b>	1(b)		
Project income-grants received		80,900.00	141,919.75
Project income-donations received		266,598.43	
Interest Received		1,735.17	1,221.93
Donations Received		3,200.00	3,035.00
Fund raising activities		973.00	4,466.30
Project administration fees		4,473.00	3,369.00
Miscellaneous Income		.68	-
		<u>357,880.28</u>	<u>154,011.98</u>
<b>Expenditure</b>	2		
Project expenditure – paid	1(c)	300,821.40	155,493.81
Project expenditure – increase (reduction) in provision for future expenditure	1(c)	46,677.03	(13,638.61)
Fund raising activity expenses		1,666.19	2,068.64
Bank charges		455.30	408.36
Catering for meetings		72.80	381.00
Community events		-	208.55
Donations		1,200.00	550.20
General Expenses		-	455.60
Insurance		1,442.37	1,106.77
Planning Day expenses		-	207.00
Postage and shipping		801.66	24.00
Printing & stationery		-	651.15
Subscriptions		432.95	376.10
Telephone expenses		41.83	140.00
Travel & Entertainment Expenses		2,407.00	470.20
		<u>356,018.53</u>	<u>148,902.77</u>
<b>Profit (Loss) before Income Tax</b>		<u><u>1,861.75</u></u>	<u><u>5,109.21</u></u>

*The accompanying notes form part of these financial statements.*

**Horn of Africa Relief & Development Agency of Australia Incorporated**  
**Notes to the Financial Statements**  
**For the Year ended 30th June 2012**

---

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

This financial report is a special purpose financial report 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 on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets. The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

**(a) Cash and Cash Equivalents**

Cash and cash equivalents include 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. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

**(b) Revenue and Other Income**

Revenue is measured at the value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

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

**(c) Project Income and Expenditure**

Income received in the form of grants and donations for specific projects is recognised as Income when received. Expenditure relating to these projects is recognised when the liability for the expenditure occurs, and a provision is made in the Profit and Loss Statement for future expenditure required to fulfill the grant and donation conditions.

**Horn of Africa Relief & Development Agency of Australia Incorporated**  
**Notes to the Financial Statements**  
**For the Year ended 30th June 2012**

---

	2012	2011
	\$	\$
<b>2. Profit (Loss) for the year includes the following expenses:</b>		
<b>Administration Expenses</b>		
Bank Charges	455.30	408.36
Insurance	1,442.37	1,106.77
Printing & stationery	-	651.15
Subscriptions	432.95	376.10
Telephone	41.83	140.00
	<u>2,372.45</u>	<u>2,682.38</u>

**Horn of Africa Relief & Development Agency of Australia Incorporated**  
**Statement by Members of the Executive Committee**

---

The Executive 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 1 to the financial statements.

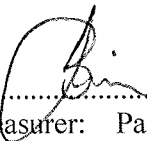
In the opinion of the Committee the accompanying financial report:

1. Presents a true and fair view of the financial position of Horn of Africa Relief & Development Agency of Australia Incorporated as at 30 June 2012 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Horn of Africa Relief & Development Agency of 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 Committee and is signed for and on behalf of the Committee by:



.....  
President: Mohammed Omar



.....  
Treasurer: Paul Bisson

Dated ..21/7/2012



McIntosh Bishop

AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO COMMITTEES OF  
HORN OF AFRICA RELIEF AND DEVELOPMENT AGENCY OF AUSTRALIA

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2012, there have been:

- a. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- b. assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the director.

McIntosh Bishop

Robert David Macdonald

Partner

Dated:

1 - Nov - 2012

McIntosh Bishop  
Chartered Accountants

Level 4, 83 Mount Street  
North Sydney 2060

P.O. Box 1903  
North Sydney 2059

Tel: 02 9957 5567  
Fax: 02 9956 8452

ABN: 14 722 713 700





INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
HORN OF AFRICA RELIEF AND DEVELOPMENT AGENCY OF AUSTRALIA

**Report on the Financial Report**

We have audited the accompanying financial report, being a special purpose financial report, of Horn of Africa Relief and Development Agency of Australia, which comprises the statement of financial position as at 30 June 2012, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies, other explanatory information and the committee's declaration.

**The Responsibility of the Committee for the Financial Report**

The Committee of the association are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements which form part of the financial report are appropriate to meet the financial reporting requirements of the Constitution and are appropriate to meet the needs of the members. The Committee's responsibility also includes establishing and maintaining internal control as the Committee and management determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

**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 that we 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 which 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.

**Auditor's Opinion**

In our opinion, the financial report presents fairly, in all material respects, (or "gives a true and fair view of") the financial position of Horn of as of 30 June 2012 and of its financial performance and its cash flows for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

McIntosh Bishop  
Chartered Accountants

Level 4, 83 Mount Street  
North Sydney 2060

P.O. Box 1903  
North Sydney 2059

Tel: 02 9957 5567  
Fax: 02 9956 8452

ABN: 14 722 713 700



McIntosh Bishop

**Basis of Accounting and Restriction on Distribution**

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for distribution to members for the purpose of fulfilling the Committee's financial reporting obligations under the Constitution. As a result, the financial report may not be suitable for another purpose.

**McIntosh Bishop**

**Robert David Macdonald**

**Partner**

Dated on 1<sup>st</sup> November 2012