

Horn of Africa Relief & Development Agency of Australia Incorporated

Financial Statements for the year ended 30 June 2015



TASA Accounting Services

Finding solution with care

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Horn of Africa Relief & Development Agency of Australia Incorporated

Annual Report

For the year ended 30 June 2015

Contents

Page No.

Balance Sheet	2
Profit & Loss Statement	3
Notes to the Accounts	4, 5
Statement by Members of the Executive Committee.....	6
Independent Auditor's Report	7, 8

Horn of Africa Relief & Development Agency of Australia Incorporated
Balance Sheet
As at 30 June 2015

	Note	2015 \$	2014 \$
Current Assets			
Cash and Cash Equivalents	1 (a)	65,852.14	51,035.98
Inventories		61.93	661.93
Prepaid Insurance		2,419.83	2,411.01
Total Current Assets		<u>68,333.90</u>	<u>54,108.92</u>
Total Assets		<u>68,333.90</u>	<u>54,108.92</u>
Current Liabilities			
Trade Creditors		2,385.28	-
Accrual for Project Audit fee		550.00	550.00
Provision for future project expenditure		51,293.36	33,056.08
Project Income received in advance		3,990.00	7,500.00
Other Liabilities		600.00	600.00
Total Current Liabilities		<u>58,818.64</u>	<u>41,706.08</u>
Total Liabilities		<u>58,818.64</u>	<u>41,706.08</u>
Net Assets		<u>9,515.26</u>	<u>12,402.84</u>
Equity			
Retained Profits brought forward		12,402.84	17,649.95
Inventory written off	1 (d)	(600.00)	-
Project expenses written off	1 (d)	(608.06)	-
Profit (Loss) for the year		(1,679.52)	(5,247.11)
Total Equity		<u>9,515.26</u>	<u>12,402.84</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 2015

	Note	2015 \$	2014 \$
Income	1 (b)		
Project income-grants received		25,400.00	10,378.21
Project income-donations received		21,650.00	114,550.00
Interest Received		1,038.19	1,178.94
Donations Received		-	1,050.00
External Income		<u>48,088.19</u>	<u>127,157.15</u>
Internal project administration fees		935.00	1,463.00
Total Income		<u>49,023.19</u>	<u>128,620.15</u>
Expenditure	2		
Project expenditure-paid	1 (c)	36,920.78	125,993.18
Project expenditure-increase (reduction) in provision for future expenditure	1 (c)	10,129.22	(664.97)
Fund raising activity expenses		-	-
Audit fees		550.00	550.00
Filing fees		(44.00)	44.00
Bank charges		117.30	236.95
Conference and Training expenses		-	137.00
Donation - Edmund Rice Centre		-	2,000.00
Donations - Other		-	2,000.00
General Expenses		-	357.00
Insurance		2,411.01	2,411.71
Postage and Shipping		-	130.59
Printing & Stationery		164.00	149.00
Staff amenities		-	100.00
Subscriptions		335.00	230.00
Telephone Expenses		-	140.00
Travel & Entertainment Expenses		-	52.80
Website expenses		119.40	-
Total Expenditure		<u>50,702.71</u>	<u>133,867.26</u>
Profit (Loss) before Income Tax		<u>(1,679.52)</u>	<u>(5,247.11)</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 30 June 2015

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 the original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within the borrowings in the 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 fulfil the grant and donation conditions.

(d) Inventory and Project Expenses written off

Management has decided in the year 2015 to write off \$600 worth of inventory as either goods no longer usable or donated to other community. Amount of \$560 spent in excess of the grant or donations received towards Wedwell School project and amount of \$48.06 towards DIAC New Land New Life has been written off against retained earnings of the organisation.

Horn of Africa Relief & Development Agency of Australia Incorporated
Notes to the Financial Statements
For the Year ended 30 June 2015

	2015	2014
	\$	\$
2. Profit (Loss) for the year includes the following expenses:		
Administration Expenses		
Audit fees	550.00	550.00
Bank Charges	117.30	236.95
Insurance	2,411.01	2,411.71
Printing & Stationery	164.00	149.00
Subscriptions	335.00	230.00
Telephone	-	140.00
Filing fees	(44.00)	44.00
Conference & training expenses	-	137.00
Website expenses	119.40	-
	<u>3,652.71</u>	<u>3,898.66</u>

The accompanying notes form part of these financial statements

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 2015** 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:

.....
Secretary:

.....
Treasurer: *Linda Lin*

Dated *23/02/2016*



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HORN OF AFRICA RELIEF AND DEVELOPMENT AGENCY OF AUSTRALIA INCORPORATED

Report on the Financial Report

I have audited the accompanying financial report, being a special purpose financial report, of **Horn of Africa Relief and Development Agency of Australia Incorporated**, which comprises the balance sheet as at **30 June 2015**, and the income statement for the year ended, a summary of significant accounting policies and the Committee's declaration.

The Responsibility of the Executive Committee for the Financial Report

The Executive 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 Executive Committee's responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

My responsibility is to express an opinion on the financial report based on my audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. I conducted my audit in accordance with Australian Auditing Standards. Those standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 judgement, 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 and fair presentation of the financial report 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 Executive Committee, as well as evaluating the overall presentation of the financial report.

Limitations on use

This financial report has been prepared for distribution to members for the purpose of fulfilling the Executive Committee's financial reporting under the constitution. I disclaim any assumption of responsibility for any reliance on this report or on the financial report to any persons or users other than members of Horn of Africa Relief and Development Agency of Australia Incorporated or for any purpose other than that for which it is prepared.



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Inherent limitations

Because of the inherent limitations of any audit, it is possible that fraud, error or non-compliance may occur and not be detected. An audit is not designed to detect all instances of non-compliance, as an audit is not performed continuously throughout the year and the audit procedures performed are undertaken on a test basis. The conclusion expressed in this report has been formed on the above basis.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting my audit, I have complied with the independence requirements of APES 110 Code of Ethics for Professional Accountants.

Basis for Qualified Opinion

Donations transferred to Waso Resource Development Agency, Kenya are subject to verification of moneys received and spent, by obtaining an audited statement of income and expenditure from the Agency's country. I am therefore unable to express an opinion about the utilisation of the funds on the donations transferred to WARDA, Kenya.

Auditor's Opinion

In my opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial report presents, in all material respects, a true and fair view of the financial position of the Association as at **30 June 2015** and of its income and expenditure for the year ended on that date, in accordance with the accounting policies described in Note 1 to the Financial Statements.

TASA Accounting Services

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