

**Horn of Africa Relief & Development Agency of Australia Incorporated**  
**Financial Statements**  
**For the Year ended 30 June 2011**

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

**Annual Report  
for the Year Ended 30 June 2011**

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**Horn of Africa Relief & Development Agency of Australia Incorporated**  
**Balance Sheet**  
**As at 30 June 2011**

	Note	2011 \$	2010 \$
<b>Current Assets</b>			
Cash and Cash Equivalents	1(a)	22,805.28	33,294.99
Amounts receivable		2,445.00	-
Prepayments		-	1,180.34
<b>Total Current Assets</b>		<u>25,250.28</u>	<u>34,473.33</u>
<b>Total Assets</b>		<u>25,250.28</u>	<u>34,473.33</u>
<b>Current Liabilities</b>			
Trade creditors		938.35	1,634.00
Provision for future project expenditure		15,556.06	29,194.67
<b>Total Current Liabilities</b>		<u>17,164.41</u>	<u>30,828.67</u>
<b>Total Liabilities</b>		<u>16,494.41</u>	<u>30,828.67</u>
<b>Net Assets</b>		<u>8,755.87</u>	<u>3,646.66</u>
<b>Equity</b>			
Retained Profits brought forward		3,646.66	1,458.85
Profit (Loss) for the year		5,109.21	2,187.81
<b>Total Equity</b>		<u>8,755.87</u>	<u>3,646.66</u>

*The accompanying notes form part of these financial statements.  
These financial statements have not been subject to audit or review and should be read in  
conjunction with the attached Compilation Report.*

**Horn of Africa Relief & Development Agency of Australia Incorporated**  
**Profit and Loss Statement**  
**For the Year ended 30 June 2011**

	Note	2011 \$	2010 \$
<b>Income</b>	1(b)		
Project income-grants received		141,919.75	63,993.43
Interest Received		1,221.93	695.16
Donations Received		3,035.00	2,387.70
Fund raising activities		4,466.30	6,404.30
Project administration fees		3,369.00	1,000.00
Miscellaneous Income		-	544.65
		154,011.98	75,025.24
<b>Expenditure</b>	2		
Project expenditure – paid	1(c)	155,493.81	35,177.16
Project expenditure – increase (reduction) in provision for future expenditure	1(c)	(13,638.61)	29,194.67
Fund raising activity expenses		2068.64	2,498.61
Bank Charges		408.36	152.55
Catering for meetings		381.00	240.95
Community events		208.55	-
Donations		550.20	276.35
General Expenses		455.60	300.00
Insurance		1,106.77	985.52
Legal Costs		-	390.00
Planning Day expenses		207.00	-
Postage		24.00	149.45
Printing & Stationery		651.15	729.32
Promotional materials		-	1375.00
Subscriptions		376.10	395.00
Telephone expenses		140.00	-
Travel & Entertainment Expenses		470.20	378.34
UNSW Survey Report		-	594.51
		148,902.77	72,837.43
<b>Profit (Loss) before Income Tax</b>		5,109.21	-2,187.81

*The accompanying notes form part of these financial statements.  
These financial statements have not been subject to audit or review and should be read in conjunction with the attached Compilation Report.*

**Horn of Africa Relief & Development Agency of Australia Incorporated**  
**Notes to the Financial Statements**  
**For the Year ended 30th June 2011**

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**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 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 conditions.

*These notes should be read in conjunction with the attached Compilation Report*

**Horn of Africa Relief & Development Agency of Australia Incorporated**  
**Notes to the Financial Statements**  
**For the Year ended 30th June 2011**

	2011	2010
	\$	\$
2. Profit (Loss) for the year includes the following expenses:		
<b>Administration Expenses</b>		
Bank Charges	408.36	152.55
Insurance	1,106.77	985.52
Postage	24.00	149.45
Printing & Stationery	651.15	729.32
Promotional materials	-	1,375.00
Subscriptions	376.10	395.00
Travel expenses	470.20	378.34
Other Expenses	1,942.35	1,207.30
	4,978.93	5,372.48

*These notes should be read in conjunction with the attached Compilation Report.*

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

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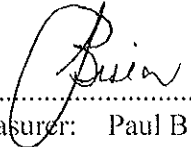
The committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the committee as set out in 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 2011 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: John Cornwall

  
.....  
Treasurer: Paul Bisson

Dated: ..... 21/9/2011 .....



McIntosh Bishop

**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE COMMITTEE MEMBERS 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 2011 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.

McIntosh Bishop  
Robert David Macdonald

24 November 2011

McIntosh Bishop  
Chartered Accountants

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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 2011, and the statement of comprehensive income, a summary of significant accounting policies, other explanatory notes and the Committee's declaration.

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

The Committee of the entity 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 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**

Our responsibility is to express an opinion on the financial report based on our 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. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we 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 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 entity'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 entity'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.

The financial report has been prepared for distribution to members for the purpose of fulfilling the Committee financial reporting under the constitution. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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 the Australian professional accounting bodies.

**Auditor's Opinion**

In our opinion, the financial report presents fairly, in all material respects, of the financial position of Horn of Africa Relief and Development Agency of Australia as of 30 June 2011 and of its financial performance is in accordance with the accounting policies described in Note 1 to the financial statements.

McIntosh Bishop

*Robert David Macdonald* 25-11-2011

**Robert David Macdonald**

McIntosh Bishop  
Chartered Accountants

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