

QUAKER SERVICE AUSTRALIA

ANNUAL REPORT

OCTOBER 2017 – SEPTEMBER 2018



Quaker Service Australia Ltd


Unit 14, 43-53 Bridge Road, Stanmore NSW 2048 • administration@qsa.org.au

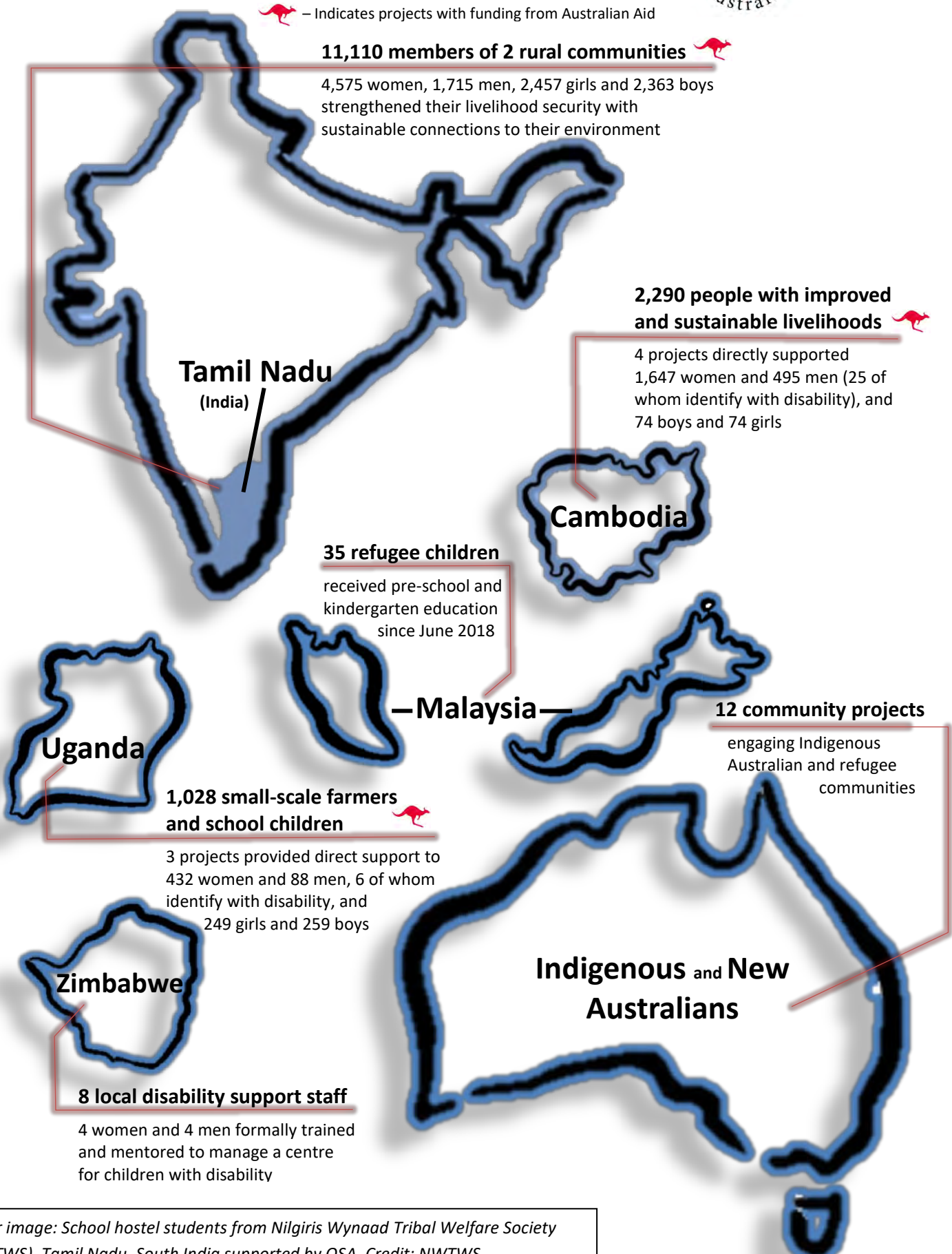
Phone +61 (0)2 8054 0400 • ACN 618 346 839 • ABN 35 989 797 918

www.qsa.org.au

Our reach in 2017-18



 – Indicates projects with funding from Australian Aid



11,110 members of 2 rural communities

4,575 women, 1,715 men, 2,457 girls and 2,363 boys strengthened their livelihood security with sustainable connections to their environment

Tamil Nadu
(India)

2,290 people with improved and sustainable livelihoods

4 projects directly supported 1,647 women and 495 men (25 of whom identify with disability), and 74 boys and 74 girls

Cambodia

35 refugee children

received pre-school and kindergarten education since June 2018

—**Malaysia**—

12 community projects

engaging Indigenous Australian and refugee communities

Uganda

1,028 small-scale farmers and school children

3 projects provided direct support to 432 women and 88 men, 6 of whom identify with disability, and 249 girls and 259 boys

Zimbabwe

8 local disability support staff

4 women and 4 men formally trained and mentored to manage a centre for children with disability

Indigenous and New Australians

Cover image: School hostel students from Nilgiris Wynaad Tribal Welfare Society (NWTWS), Tamil Nadu, South India supported by QSA. Credit: NWTWS

“

*Change will not come if we wait for some other
person or some other time.*

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This QSA Annual Report 2017-18 was presented during the QSA Annual General Meeting held at Devonshire Street Meeting House, Sydney on February 17th 2019.

Report from the Convenor, Garry Duncan



Quaker Service Australia (QSA) is in the midst of transforming into a larger, more complex organisation. Step by step over recent years more opportunities have presented themselves in which QSA has been able to be in a position to say yes to. Apart from continued ongoing support from our donors, the Quaker Shop in Adelaide and the Friends' School in Hobart, greater levels of Government funding and a large refugee/asylum seeker bequest have underpinned this growth. QSA has expanded its relationships within the refugee and development sphere internationally now having targeted programs approved for new countries of engagement in Malaysia and Bangladesh.

In response to our expanded outlook QSA has restructured its office and programs functions and updated its remuneration benchmark award to reflect trends in the sector. QSA has relocated to a larger office in Stanmore refreshing its office look and filing systems. In looking forward to the future further changes are likely to come in response to a greater focus on compliance challenging our responsiveness to a world in need while meeting new expectations of stakeholders. In short QSA has a new wind in its sail but foresees challenging seas ahead.

Already child protection is becoming an even greater focus for the sector to not only ensure in projects, but to be even more vigilant in safeguarding at the edges. Advocacy remains a potential questioned area for the use of donor funds. Sector-wide changes in leadership reflect a change to a more managerial style with a broader base of experience outside the sector being valued.

Fraudulent practices with false invoicing have become more disguised and sophisticated, plus more readily available. A new focus on reviewing and investigating documentation and systems continues to be implemented as fraud comes to our attention. This has greatly increased the administrative load on our small agency.

Like all organisations overtime people come, contribute greatly and move along to new opportunities and are replaced by others. I would like to thank the outgoing members of the QSA Management Committee and QSA Linkages Sub-Committee for helping make QSA a vibrant expression of Quaker values in action. I welcome new members as they eagerly assist QSA in the years ahead. QSA remains dedicated to improving the lives of our project partners through an empowering self-development focus. Check out the website www.qsa.org.au to see in more detail the extent of our reach. Step by step QSA is helping more people in more countries leaving a positive impact in an uncertain world.

Report from the Executive Administrator, Jackie Perkins

This past year has been one of considerable expansion for Quaker Service Australia. Having approved a new constitution to reinvent QSA as a company limited by guarantee in April 2017, we then began to develop new procedures, policies and processes to reflect this new structure. This process is on-going of course, as policies once written, are of no value unless they are implemented, reviewed and assessed to ensure they are fit for the task as well as compliant with changing legislation. Each policy will continue to be reviewed every two years at a minimum.

QSA has also been granted tax deductibility for all donations to the organisation, whereas previously tax deductibility only applied to the two Deductible Gift Funds of Overseas Aid and Aboriginal Concerns. This is a big improvement and reflects the growing status of the organisation.

During this past year, QSA has begun to implement new projects to support refugees and asylum seekers, using a generous bequest given specifically for this purpose. We are pleased to develop our existing relationship with the Refugee Council of Australia, and through them to come to understand the work of the Malaysian Social Research Institute, and we are now supporting a pre-school program which enables the parents to engage in vocational training and opportunities at the same time as the children are being looked after. Within Australia, we have been so pleased that many Regional Meetings have taken up the offer from QSA of funds to support local initiatives enabling refugees and asylum seekers to expand their knowledge about living in Australia, learning new vocational skills, but also establishing networks and friendships with locals and other newly settled people to reduce a sense of isolation. As I write this report, there is another project which is in the final stages of planning to enable refugees in camps and the local community in Bangladesh to learn about permaculture and how it can assist them to produce fresh food for their families as well as learning new skills to assist them wherever they may be relocated.

All of this expansion has gone on alongside the continuation of projects in Cambodia, India, Uganda, and Zimbabwe to enhance the lives of rural communities to achieve food and water security, environmental sustainability, increased livelihoods and to understand ways of addressing social injustices. Our work with Indigenous Australian communities also continues, enabling community support to those going through the court system in Queensland including visits from Indigenous Elders to those in jail, and providing extra resources for Indigenous High School students such as text books, laptops, and school excursions. We also mourn the loss of our Friend in Cunnamulla who was so instrumental in linking QSA to these community groups.

Monitoring visits to project partners continue to be a crucial component of managing the projects, necessary for establishing a good working relationship, sharing ideas and learning far more than what can be included in quarterly reports. A formal component ensures funds are appropriately used, and good record keeping processes are utilised. Sadly, this year we have realised that with one project partner we have had in Uganda, this was not the case, and this was verified by a specific audit initiated by QSA, with the results reported to QSA and the Australian Government's Department of Foreign Affairs and Trade. While working with our Quaker testimonies it is always sad when we discover actions taken by the project partner which compel us to abruptly cease a project and end the relationship, knowing as we do, that the intended community is still in need of support which they have been promised but then denied by the actions of a few.

To end this report on a high note, there is one further expansion within QSA to mention – we have relocated from our office in Devonshire Street Meeting House to a larger office, in the nearby suburb of Stanmore. This has enabled us to spread out our desks a little, sort out our resources more efficiently, and display the items we have received from our project partners such as wood carvings, decorated fabrics and hand-made tapestries so that they can be seen and appreciated by everyone.



It has been a busy year!

Company Members, as at September 30th 2018

* Management Committee member, based in Sydney

Name	Location	Position	Experience/Qualifications
David Cooper*	New South Wales	Member	Solicitor (retired) with many years' experience in general law practice.
Karen Dedenczuk	Tasmania	Member from 4 November 2018	Experience in early childhood education and in particular with children with learning difficulties, working with Enterprise Learning for long-term unemployed youth, and as TAFE lecturer in education and communications. Has also been employed as a journalist for state newspapers and currently has an interest in video poetry and documentaries.
Rhoda Dorrell	Queensland	Member	Long standing support for QSA and its work. Has also been active in supporting refugees to settle in her area, teaching primary aged children about Aboriginal heritage and supporting local Indigenous communities in a number of ways.
Garry Duncan*	New South Wales	Convenor	Experience as High School geography teacher and business studies teacher in New Zealand and Australia, year adviser and has a keen interest in student welfare and restorative justice processes. Currently employed as faculty officer and researcher. Has served for 3 years on the Friends' School Board of Governors.
John Dundas*	New South Wales	Treasurer	Retired bank officer and senior computer systems project manager. QSA office finance volunteer since 1999.
Henry Esbenshade	Western Australia	Member	Henry has expertise in dry-land agroforestry. He has maintained his commitment to overseas development assistance since being a US Peace Corps Volunteer in Sierra Leone.
Topsy Evans	South Australia & Northern Territory	Member	Has served QSA as a monitor in Cambodia and Vietnam, written AIDS education project material for long term project in Cambodia, served for six years on the former QSA indo-China sub-committee. Former manager of the Quaker Op-Shop in Adelaide, a successful fund raiser and vehicle for outreach.
Richard Gibbons*	New South Wales	Member	Extensive administrative and human resource management experience.
Miriam Goodwin*	New South Wales	Member	12 years' experience in public relations, focussing on the technology sector. Has worked in communications, business growth, and government relations services for more than 35 years.

Anne Herbert	Victoria	Member	An adult educator who has worked in a range of roles in Australia, Asia and Europe, and is actively involved with Quaker work in Europe and Australia.
Beverley Jefferson	Tasmania	Member from September 2017 – September 2018	Has worked within the not-for-profit sector, government and private enterprise in roles relating to projects, volunteer, organisational and grant management, administration, marketing and communications. She has worked for many years in cultural industries, also in Laos PDR with the Lao Disabled People's Association, currently is the Multicultural Community Liaison Officer, Tasmania's Settlement and Multicultural Affairs department.
Mary J Merindol*	New South Wales	Member	Has worked as an activist, political reformer and social justice advocate, with a particular concern for refugees and asylum seekers.
Michael Morrissey	New South Wales	Public Officer, non-member	Experience in workplace health and safety (WH&S) management roles across a variety of workplaces including manufacturing, transport and government. This experience is supported by membership of Safety Institute of Australia and tertiary qualifications in business, human resources, WH&S as well as training and assessment.
Alex Nicolson	ACT	Member, from September 2017	Retired public servant who worked for 15 years with Aboriginal and Torres Strait communities throughout Eastern and South Australia. He has also worked extensively in the Pacific including 6 years in Fiji with the Pacific Islands Forum and two years each with the Solomon Islands and Papua New Guinea Treasuries. He was Secretary to a Public Accounts Committee inquiry into the Efficiency of Australia's Overseas Aid Program (Report 201). He has post graduate qualifications in Cross-Cultural Psychology.
Jasmine Payget	New South Wales	Member	Environmental educator, working with local communities through local government. She is an advocate for Asset Based Community Development to enable local people to create improvements for water conservation and biodiversity, particularly with Aboriginal, women's and ethnic organisations, and neighbourhood centres. Jasmine previously worked as an equal employment opportunity officer, changing systems to reduce discrimination. She has a keen interest in affordable housing, peace and support for East Timor. Has attended a study tour and undertaken some work for QSA.

Kyle Purnell	Young Friends	Member resigned 5/1/2018	Science background and interest, particularly in biology. Experience in retail, logistics and distribution, with a customer service orientation.
Martin Reusch*	New South Wales	Member	Has extensive experience in working with refugees and asylum seekers here in Australia and elsewhere.
Jo Jordan	South Australia & Northern Territory	Ex-officio Member	Australia Yearly Meeting's Presiding Clerk
Jacque Schultze	New South Wales	Ex-officio Member	Australia Yearly Meeting's Secretary
Vacancy	Young Friends	-	

Office Staff and Volunteers

Jackie Perkins – Executive Administrator & Cambodia Projects Manager

Ai Leen Quah – Projects Manager, Uganda, Zimbabwe, India, & Malaysia [*below left*]

Alis Middleton – Finance (part time) [*below centre*]

John Dundas – Volunteer, Treasurer [*below right*]

Neville Ross – Graphics and website design consultant (part time)



Quaker Service Australia – Statement of Purpose

The purpose of QSA is to express in a practical way the concern of Australian Quakers for the building of a more peaceful, equitable, just and compassionate world. To this end QSA works with communities in need to improve their quality of life with projects which are culturally sensitive, as well as being economically and environmentally appropriate and sustainable.

QSA will not participate in any proselytising activities, or permit any of its funds or resources to be used in this way. It will not permit project resources or funds to be used to support terrorism in any way or a political party, or to promote a candidate or organisation affiliated with a political party in their party political activities. QSA is committed via its development projects to work towards the achievement of human rights for the communities (including the children) it comes into contact with and to advocate on behalf of all communities in this matter, and will not restrict its development work to a particular faith or religion.



1 Nilgiris Wynaad Tribal Welfare Society with their new large water tank, Tamil Nadu, South India. Source: NWTWS

Sector and regional focus

Development – This includes food security, water security, poverty alleviation, with all projects including awareness of environmental sustainability, inclusion of people with disabilities and marginalised groups, child protection, gender equality; and capacity enhancement which underpins them all.

Regional – The countries where QSA is providing support, either independently or with funding support from Department of Foreign Affairs and Trade (DFAT) are Australia, Cambodia, India (Tamil Nadu), Uganda and Zimbabwe.

QSA will continue to work with its current project partners, assisting them to support communities in need as well as enhancing the partner's capacity to manage projects until such time as this support is no longer needed. QSA will, within its current financial and staffing capacity, include additional project partners situated in the same region as existing project partners, so that there are

opportunities for local support and sharing of ideas, expertise and resources via a hub arrangement facilitated by QSA, with the expressed aim of forming and enhancing mentoring networks.

NEW as of 2018: Humanitarian (refugees and asylum seekers)

The UN definition of a refugee is ‘..someone who has been forced to flee his or her country because of persecution, war, or violence. A refugee has a well-founded fear of persecution for reasons of race, religion, nationality, political opinion or membership in a particular social group’. Asylum seekers are people who have not yet had their claim for refugee status assessed.

QSA recognises the significant contribution made over the years to Australian society by the many refugees and asylum seekers settling here in Australia. In QSA’s support to recently arrived refugees and asylum seekers, we are aware of the trauma and pain which has in many cases preceded this arrival and hope that Quakers in Australia can continue to assist in supporting them and the organisations set up specifically to address the many issues they may have in establishing a new life for themselves here.

Our new work in Malaysia falls between QSA’s usual field of work in development, and that of humanitarian relief. An often-overlooked ‘grey area’: according to the United Nations High Commission for Refugees (UNHCR), a *protracted refugee situation* is, “one in which refugees find themselves in a long-lasting and intractable state of limbo. Their lives may not be at risk, but their basic rights and essential economic, social and psychological needs remain unfulfilled after years in exile...” (EC/54/SC/CRP.14). On the one hand, the situation in their country of origin is unsafe for them to return; on the other, their host country is incapable or unwilling to support them, even with access to education, healthcare or employment.



Uncertainty for refugees waiting in a state of limbo Source: MSRI

Our work

The 2017-18 year has seen the continuation of some of our longer-term projects which are nearing their end as beneficiary communities have gained ground in securing their own sustainable livelihoods. Most of our partners work with beneficiaries who, upon signing up to the project, would have been classified as living in extreme poverty – that is, struggling to fulfil the most basic of needs including health, education, and access to food, water and sanitation, to name a few¹. The footprint of QSA’s work is small, yet we are able to say that in 2018, our work in collaboration with our partners, has meant that some 14,000 people in the countries where we work have been able to tick their names off the list under Sustainable Development Goal #1 in lifting themselves past the international poverty line of US\$1.90 a day², or have strengthened the foundations necessary to keep themselves – and in many cases, their families too – above this line.

In partnering over the long term, QSA works to achieve results in other ways as well. In addition to the direct beneficiaries that our local project partners work with, in many instances our partnership with a local organisation has an end unto itself in supporting them to build their capacity and capability – investing in local skills and talent, and also sustainable financial management for the organisation.



1 Women farmers are the mainstay of rural livelihoods
Source: QSA



¹ United Nations, <http://www.un.org/en/sections/issues-depth/poverty/>

² United Nations, <https://www.un.org/sustainabledevelopment/poverty/>

Key themes of our work

Food security

A positive year in food security has seen many of our projects continuing to support women farmers to enhance their skills and knowledge in various disciplines of small-scale organic agriculture.

In Uganda, over 300 women farmers successfully learned to diversify and more than double their farm productivity using organic agroecology with the support of *St Jude Family Projects* from Masaka, Uganda. The remarkable improvements in family diet and nutrition have in several cases led husbands and other family members to join in with the work.

Through school programs also run by *St Jude Family Projects*, over 500 children, 7 of whom have disabilities, have benefitted from better nutrition as the 6 school gardens the children and their teachers have cultivated now contribute to 20% of their day meals. The program's popularity across the schools after just six months had effected an increase in enrolment rates at 10% above the norm.

Elsewhere in Uganda, as group of 35 people with disabilities approach the latter stages of their project membership with *Kyadondo Support Initiatives for People with Disability (also known as 'KYASIPED')*, most are now confident of their self-sufficiency in food and water, with the last of their training sessions focusing on improving seed saving and fertiliser management.

The *Khmer Community Development* group in Kandal Province, Cambodia, has continued to provide training to community members in organic farming, with one of their achievements being the establishment of community rice banks from which families are now able to borrow, and repay in cash or rice after the next harvest.

Two separate projects with the *Cambodian Department of Women's Affairs* in Pursat and Kampong Thom Provinces have trained hundreds of women in permaculture. To assist in achieving year-round food security, the trainers expanded training courses to include:

- Encouraging a wider range of crops to be grown to include ones which can be harvested and stored for later consumption such as pumpkin, potatoes and peanuts, rather than only green leafy vegetables which must be eaten as soon as they are harvested.
- Addressing ways of storing harvested crops to reduce spoilage, and consumption by rodents and insects.
- Seed saving techniques to start off the next year

Working with the local area disaster reduction committee, the permaculture trainees now also know how to source safe higher ground for their cattle, use sand bags to protect vulnerable home



2 Kampong Thom Province, Cambodia - L: Farmer waters his vegetable crop using his innovative water tank and project-provided watering cans; R: Harvesting cauliflowers to sell at the market Source: QSA

doorways and walls, and to plant trees to help divert strong winds or waters during floods.

An evaluation conducted of the 340 trainees in Kampong Thom province, Cambodia from 2013 to 2018 found that the overwhelming majority indicated better health of family members due to the improved diets from eating organic produce, with improved land and soil productivity, and particularly with the switch to organic production: many had stories to tell of fewer incidences of illness in their families and among their free-roaming poultry and cattle whereas previously they had been getting sick from eating crops heavily laced with chemical pesticides.

Water security and sanitation

QSA has been supporting some project partners to provide a wide suite of training workshops to establish water security to complement food gardens and other small-scale initiatives, by providing a number of reinforced and pump wells for neighbours to share water.



3 Water tanks, hygiene and sanitation in Cambodia Source: Department of Women's Affairs, Kampong Thom

In many rural areas of Cambodia, access to toilets and bathrooms is simply not available, leaving communities with no option but to use the fields. This is potentially a health hazard, and one which QSA has been keen to address by providing families with toilets and clean water, together with training in basic sanitation and hygiene. The location of toilets does require thought and planning as many areas are susceptible to seasonal flooding during the year.

In one project where water sources were built at individual households, *Kyadondo Support Initiatives for People with Disabilities* learned a valuable lesson upon realising that the main barrier holding back some of their farmers'

ability to maintain their food gardens was no longer their own lack of water, but that of their neighbours, with whom those working directly with the project had begun to share their water during droughts. Notwithstanding, by inviting their neighbours to help in the construction of locally-sourced and low cost water pits, the neighbours and the wider community were then able to make and benefit from their own water pits.

Poverty alleviation through improved livelihoods, income generation and workplace health and safety

For many in our projects, a relative sense of food security begins with as little as two modest meals per day in the rainy seasons. But once the family begins to meet the most immediate and basic of needs with food and water, there is increasingly more time and energy to focus on other livelihood aspects.

The women's 'self-help' (empowerment) groups both at *Vasandham Society* and at *Pitchandikulam Bio Resource Centre*, based in different parts of Tamil Nadu, continue to prove very successful models built on principles of social and economic sustainability and resilience. In each instance, the various groups' economic activities continue to raise enough revenue to feed back into sustaining the infrastructure that facilitates their work. While the women's groups at Vasandham operate similar to microcredit cooperatives, the women at Pitchandikulam run their own sustainable livelihoods producing and selling traditional herbal remedies and healthy foods.



4 Women create their own sustainable livelihoods through herbal enterprises Source: *Kaluveli Natural Livelihoods, one of several Sustainable Livelihoods Initiatives at Pitchandikulam Bio Resource Centre*

Meanwhile, women farmers working with *Department of Women's Affairs* projects in Pursat and Kampong Thom Provinces, as well as *St Jude Family Projects* and *Kyasiped* in Uganda, are generating incomes from the sale of surplus agricultural produce – many to the extent that they have successfully risen above the United Nations' Sustainable Development Goal definition of 'extreme poverty', marked at US\$1.25 a day.



 <p>SUSTAINABLE DEVELOPMENT GOALS</p>	 <p>1 NO POVERTY</p>
<p>1.1 By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than US\$1.25 a day</p>	

5 Local market in Kampong Thom province, Cambodia. Source: *QSA*

An evaluation of permaculture trainees who previously completed several years of courses in Kampong Thom, Cambodia, has clearly demonstrated two significant factors for achieving food security and improved livelihoods: the first is access to a reliable water supply to hand-irrigate vegetables; the second, access to a market of a size commensurate with the excess amount of produce to sell. Available markets can vary in size, from neighbours making small purchases, to sales to local markets or small village shops. Greater quantities of produce can be sold in bulk via larger markets, though at potentially lower and more competitive prices per unit.



6 Baskets are made by rural weaving groups and sold in Bunnary Hun Sen Development Centre, Cambodia Source: QSA

Elsewhere in Cambodia, in Pursat Province, the *Bunnary Hun Sen Development Centre* has modified their mandate from what was primarily vocational training, into a production centre. Women skilfully weave silk and cotton into clothes and scarves. Mats and baskets are created from locally sourced and sustainably harvested cane, bamboo and rattan. Colourful clothes, bags and other various items of homewares and decoration are also tailored and sewn. Their success has been reflected in their increased profits over the year.

In Kandal Province of Cambodia, the community in Prek Chrey have formed their own organic produce shop, selling crops grown on land surrounding the shop as well as by other growers who sell their produce to the shop. A recent innovation has been a mobile shop taken to the more remote and outlying homes in the area.



7 Prek Chrey community in Kandal Province get ready for the day with their organic store and mobile shop that travels to sell in remote communities later in the day. Source: QSA

Inclusive programming

A key element in our work focuses on women, recognising that women are often very much the mainstay of rural livelihoods, as in all of our development projects. In line with Quaker values, we

also encourage our project partners to work inclusively and consider those who may for various other reasons be marginalised, stigmatised or excluded, such as religious minorities, people with disability, widowed women or people living with HIV.

- **Women and gender**

At *Pitchandikulam Bio Resource Centre*, the five main women's enterprises that have stemmed from the project's women's federation are blossoming (if not already) into viable businesses in sustainable agricultural initiatives including herbs for health, wellness beauty and health drinks. They have collectively funded an online shop and the construction of a Common Facility Centre where they can organise in a way to provide mutual encouragement and support to each other, while continuing to provide training and business skills development to other women, and activities with the wider community such as health and animal camps and environmental awareness-raising events.

Women's empowerment (or 'self-help', as it is locally referred to) is also integral to *Vasandham Society's* work in Tamil Nadu. Women's self-help groups are proving a successful model of social and economic sustainability principles and resilience as their economic activities continue to raise enough revenue to support salaries for Vasandham staff. Community discussions, advocacy and counselling services address issues of gender equality amongst school groups, women's groups and the general community to promote women and children's rights and welfare, with particular topics aiming to influence and reduce the incidence of domestic violence, child marriage, female infanticide, while promoting the importance of children, especially girls, to remain in school.



8 Women farmers at St Jude Family Projects find strength in unity Source: QSA

Women village leaders and district staff at the *Department of Women's Affairs project in Pursat Province, Cambodia* have gained a greater understanding of social justice issues, and how they can support women in their community more effectively and efficiently. As a result, they are now more confident in sharing information and presenting to community groups about gender and environment issues, and have presented several workshops to share their knowledge and facilitate discussion with large numbers of women and men in their communities.

- Disability

Where practicable, people with disabilities involved in our projects have received supportive equipment, and care is taken to ensure training courses meet unique needs, such as the provision of sign language interpreters. Sometimes at the initial stages of a project, counselling is required to support individuals, families or communities to facilitate participation, as in some societies there can be a deep shame associated with differently-abled people. However, as practices can change, so can attitudes. As the members of *Kyadondo Support Initiatives for People with Disability* are increasingly mastering the management of their own gardens and small-scale agricultural activities in Wakiso, Uganda, their peers in the community have begun to approach them for advice.

During the year, QSA returned to work with Zimbabwe partners, *King George VI Centre for Children with Disabilities (KGVVI)*, providing professional training support for 8 local and very capable staff to step up into management roles, with this succession planning aimed to ensure the continuity of KGVVI's strong management and sustainability.



9 A baby sleeps on his mother's back while she carries water home from the dam in Kiruhura, Uganda Source: QSA

Child rights, protection and safeguarding

QSA and our project partners continue to take serious consideration of matters relating to child protection, engaging project partner staff, contractors, teachers and adults in awareness-raising and discussions about child rights, and including in some cases initiatives to teach children themselves their rights and responsibilities.

Within Australia, support for Indigenous Australian high school students has assisted with resources such as books, laptops and enabling attendance on school excursions, enabling to take full advantage of educational opportunities. Support has also been given to Indigenous adults in jails and going through the court system to ensure they are able to maintain links with their families and community through links with Elders and provision of personal resources.

Environmental sustainability

Awareness-raising, farming practices, agricultural training and community initiatives both small and large across our projects, integrate concern for environmental sustainability and climate change. It is a necessary approach that appreciates the interconnectedness, if not the inseparability, of food and water security – ultimately, human security – and that of our environment.

Our partners at *Vasandham Society* in Tamil Nadu this year have continued to combat climate change and environmental degradation with the planting of more trees in and around their villages, promoting and increasing the use of natural fertilisers made locally from manure, in addition to sustained awareness-raising through large-scale campaigns and events that have been successful in drawing in hundreds of locals and reducing communities' use of disposable plastics.

Pitchandikulam Bio Resource Centre (PBRC) continues their innovative programs in environmental education with schools and trainings in the community. Yet again, another component of their work has been recognised at the national level, with PBRC Community Coordinator, Parvathi Nagarajan, being awarded India's National 2018 Biodiversity Award in Sustainable Use of Biological Resources. Out of more than 300 applicants from across the country, Parvathi was selected for the Award for the various successful herb- and plant-based enterprises that she has developed with Pitchandikulam and the project's women's federation, teaching many women in her community about plants and their medicinal properties, and how to grow, prepare and produce herbal remedies and food products.

St Jude Family Projects' training in agroecology are very much centred around teaching knowledge and skills to help to reduce and mitigate the harsh impacts of climate change in rural Uganda, through methods of soil and water conservation, careful crop selection and diversification and innovative farming practices. Having provided training to many other NGOs and community groups in Uganda, St Jude's ideas have influenced the practices of many farming communities across the country.

Refugees and Asylum Seekers support projects

As a result of a generous bequest to work with refugees and asylum seekers, QSA began by inviting Quakers around Australia to submit proposals for Quaker initiatives to provide some local support in a way which enabled relationships and networks to be generated between refugee and Quaker communities and to foster opportunities for mutual learning and sharing.



10 Refugee students learn and study together Source: MSRI

Friends' School in Hobart were very happy to take up the challenge and Years 11 and 12 students from Clemes Campus worked with TAFE Young Migrant Education Programme Students (YMEP). Over a six month period they planned a number of activities such as a day of team games and interaction. YMEP students shared their journeys and culture with the Clemes students, inviting the *'Students Against Racism'* production to a school assembly which shared a powerful message about differences and acceptance. Four students were also part of the onstage production known as *'Women's Business'* that highlighted the stories and fashion of women from different cultures, with help from Clemes students.

Other activities have included working together in service, action and creativity, such as assembling birthing kits for less developed countries, collecting and sorting rubbish with Bush Care groups, and a range of craft activities. Some of the Clemes students wrote:

'After joining a YMEP student class for a day and helping them with the several activities, I felt enlightened in a way, towards their lives and how they're going about living in Tasmania...'

'I feel like despite cultural differences in background and personality, we could all understand each other in a very vibrant and personal way, which I hope others felt the same.'

'Spending time with the YMEP students really gave me an engaging insight into their cultural backgrounds and experiences. I very much so enjoyed the 3 days I had spent with them throughout this year.... I learned heaps and enjoyed every minute.'

In **South Australia**, Quakers have been working with the Australian Refugee Association and its Youth Hangout for young people aged 12 – 17 years enrolled at secondary school. The program links the students with appropriate services through a mentoring process with university students who are able to provide information and guidance around employment and study opportunities. Funding support has enabled a paid staff member to facilitate this work.

Quakers in **Queensland** have supported an African Great Lakes Refugee project, addressing the needs of resettled refugees from Burundi, Rwanda, Uganda and Tanzania who now live in Queensland. Pastor Abel from the Burundian Evangelical Friends' Church, who is now living in Queensland, works with newly arrived families by interpreting, seeking suitable household goods with support from the Quaker Meeting, child safety matters, and in accessing legal, financial and social services.

A few individuals in Brisbane meeting, especially those who could connect through their French language, have formed friendships with some of the families. As people settle in, they gradually become more secure, with jobs and education in place, but they still carry their ties back to their home lands and relatives who may be in danger or out of communication, and this can be deeply troubling and disruptive. The response needed by Abel is therefore to help facilitate access to the appropriate services and resources. The overall comments from this work suggest that:-

- Resettlement agencies should offer needs assessment and support that is culturally appropriate and adequate – a one-size-fits-all actually fits no one.
- Resettlement agencies should constantly assess a migrant's needs and make provision to meet those needs.

- All agencies and organisations need to support strengthening of migrant communities, as a strong community is more likely to settle in successfully.

Abel is now approaching retirement, and is working with a couple of younger men to pass on his skills and experience. There are now many more community leaders who carry out conciliation and peace work in refugee communities, and a new generation of young adults who are playing significant roles in their communities.

Quakers in **Tasmania** have used funding to establish a small grants program with members of the committee working with community groups or family that request support. Some examples have included a sewing group being provided with fabric and threads; another group which conducts bush excursions for humanitarian migrants with the idea of helping to reduce isolation and increase appreciation of the local environment; and other groups simply wanting to help migrant women get out of the home and do new things together.

In **Victoria** Quakers have supported two projects. The first is facilitating a community-based weekly support time where young asylum seekers attending university can meet with each other and supportive community members to open up potential avenues of support and connection. The second is funded jointly by QSA and Quakers in Victoria to support a sewing group called 'Friends of Refugees'. This sewing group creates a space for women and their children to socialise, and learn English and sewing skills in a safe and friendly environment.



11 Diligent students at MSRI Source: MSRI

Under the title of 'It takes a Village', Quakers in **West Australia** are working with Save the Children WA to continue its program. *It takes a village to raise a child*, by addressing the right of children to play and education, and the right of families to settlement support to facilitate their full participation in the social life of the community. A series of activities such as play-groups for pre-school children, life skills classes for mothers, family support, and an after school and school holiday program for

school aged children all help to provide social opportunities and practical support for parents to raise their children in their new environment. Some of the migrant women have commented to staff:

'A', who has no adult family with her in Australia, recently shared with staff that by coming to the playgroup her children now have the opportunity to play and learn in a way that she couldn't provide for them on her own. She explained that before coming to the playgroup, her children only played by themselves, but now they are learning to share and play together with other children. As well as this, 'A' shared how important to her are the new friendships she has made with other mothers.

Internationally, QSA has commenced work with refugees in consultation with the **Refugee Council of Australia (RCOA)**, the peak body for refugees, asylum seekers and their supporters in Australia. Our partnership with the Malaysian Social Research Institute (MSRI) in Kuala Lumpur is aimed at plugging the gap in access to basic services for refugees 'in transit'. Even for those who are fortunate enough to secure resettlement, the process can take years. The Early Childhood Education Program thus provides crucial early learning and development for refugee children, whilst enabling parents, especially single mothers, to engage in study and upskilling such as English classes, vocational or business-management training opportunities.

In addition to these projects, QSA has supported the work of fellow international aid agency, **Act for Peace**, with refugees who still remain on Manus Island.

Australian NGO Cooperation Program (ANCP)

In keeping with professional standards of the international aid and development sector, QSA is recognised by the Department of Foreign Affairs and Trade with full accreditation status.



The Australian NGO Cooperation Program (ANCP), under the Australian Government Department of Foreign Affairs and Trade acknowledges the Australian community's support to our projects by matching funds for DFAT-accredited NGOs. Of the projects and partners mentioned above, the following are made possible with the support of ANCP:

CAMBODIA:

- Khmer Community Development in Kandal Province
- The Department of Women's Affairs in Kampong Thom Province
- The Department of Women's Affairs in Pursat Province

- Bunrany Hun Sen Development Centre, and the Production and Marketing Services Association in Pursat Province

INDIA:

- Vasandham Society in Tamil Nadu
- Pitchandikulam Bio Resource Centre in Tamil Nadu

UGANDA:

- St Jude Family Projects in Masaka
- Kyadondo Support Initiatives for People with Disabilities (KYASIPED) in Wakiso

Australian Council for International Development (ACFID)

- QSA is a member of The Australian Council for International Development (ACFID) which is the peak body for Australian not-for-profit aid and development organisations working towards a world where gross inequality and extreme poverty are eradicated. QSA has been a member of ACFID, and its predecessor ACFOA, since the 1970s, and became a signatory to the ACFID Code of Conduct when it was drawn up in 1996. The Code defines minimum standards of governance, management and accountability for non-government development organisations.
- More information about the ACFID Code of Conduct can be obtained from QSA and from ACFID at Private Bag 3, Deakin ACT 2600, Telephone (02) 6285 1816, Fax (02) 6285 1720, or, on their website at www.acfid.asn.au



Code of Conduct

Are you happy with the way QSA is operating?

The QSA Management Committee, in accordance with its principles and values, is committed to achieving the highest standard it can in every area of its work. It is recognised that a key way of learning what needs to be done to improve our work is through handling complaints well. QSA's Policy on Grievance Handling, Complaints and Dispute Resolution has been drawn up to take into account the rights of all concerned in resolving complaints, grievances and disputes, by open communication, in a manner consistent with cooperative work practices and in sympathy with Quaker teachings and ideals.

QSA's Public Officer, Michael Morrissey is the contact person for receiving complaints (QSA, Unit 14, 43-53 Bridge Road, Stanmore, NSW 2048 or administration@qsa.org.au).

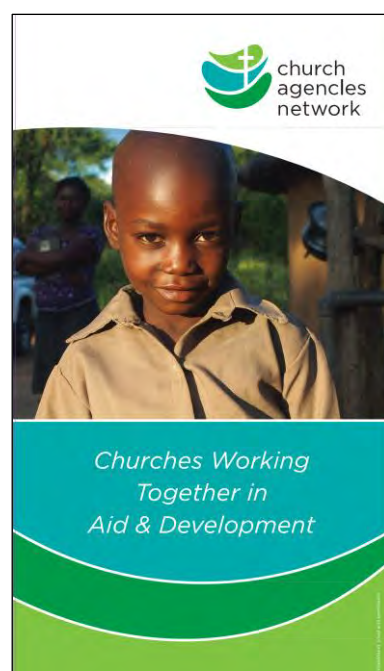
It is also possible to make a complaint directly to the Australian Council of International Development's Code of Conduct Committee regarding an alleged breach of the ACFID Code of Conduct.

The QSA Management Committee affirms its commitment to be bound by the independent, accessible, fair and confidential Code of Conduct complaints handling process and to comply promptly with reporting requirement, reasonable information requests and remedial or disciplinary actions recommended by the Code of Conduct Committee. Further, QSA will monitor itself to ensure compliance with the Code and notify the Code of Conduct Committee if it becomes aware of major transgressions by QSA or other signatory organisations. QSA's adherence to the Code of Conduct demonstrates its commitment to ethical practice and public accountability, and to supporting fellow ACFID members in the pursuit of their ideals and objectives.

Church Agencies Network

QSA is a member of the Church Agencies Network (CAN) which provides another opportunity for close collaboration at many levels, including advocacy, staff training and mentoring. CAN comprises Australian church-based aid and development agencies who are members of ACFID and the National Council of Churches in Australia. Currently the members are Act for Peace; the Adventist Development and Relief Agency (ADRA); Anglican Board of Mission – Australia Ltd; Anglican Overseas Aid; Australian Lutheran World Service; Caritas Australia; Global Mission Partners; Quaker Service Australia; Salvation Army; Transform Aid, formerly Australian Baptist World Aid; and Uniting World.

Further information at www.churchagenciesnetwork.org.au



Staff at the Bunnary Hun Sen Development Centre in Pursat, Cambodia, put the finishing touches on banana leaf hats and bind the edges to cane mats. *Source: QSA*

www.facebook.com/quakerserviceaustralia

QUAKER SERVICE AUSTRALIA LIMITED
ABN 35 989 797 918

FINANCIAL REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2018

QUAKER SERVICE AUSTRALIA LIMITED
ABN 35 989 797 918

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QUAKER SERVICE AUSTRALIA LIMITED

MANAGEMENT COMMITTEE'S REPORT

Your committee members submit the financial report of the Quaker Service Australia Limited (the 'Company') for the financial year ended 30 September 2018.

Committee Members

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

Garry Duncan (appointed 20/9/2013, appointed Convenor 17/10/2015)

John Dundas (Volunteer staff, appointed Treasurer 17/10/2015)

Richard Gibbons (appointed 4/6/2016)

Miriam Goodwin (appointed 4/6/2016)

Mary J de Merindol (appointed 6/8/2016)

David Cooper (appointed 3/12/2016)

Martin Reusch (appointed 3/2/2018)

Ex officio:

AYM Presiding Clerk

Jo Jordan appointed 9/7/2016

AYM Secretary

Jacque Schultze appointed 1/7/2016

The Regional Meeting Quaker Service Australia Linkages Sub-Committee Representatives are :

	<u>Representatives</u> (who are also members of the Committee)
Canberra Regional Meeting	Alex Nicolson
Queensland Regional Meeting	Rhoda Dorrell
South Australia & Northern Territory Regional Meeting	Topsy Evans
New South Wales	Jasmine Payget
Tasmania Regional Meeting	Beverley Jefferson (resigned 3/10/2018)
	Karen Dedenczuk (appointed 4/11/2018)
Victoria Regional Meeting	Anne Herbert
West Australia Regional Meeting	Henry Esbenshade
Young Friends representative	Kyle Purnell (resigned 5/1/2018)

Principal Activities

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

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

Operating Result

The net surplus amounted to \$293,931 (2017: surplus \$171,724).

Review of Operations

During the current year the company has continued to provide services in line with our vision and purpose statement and also in line with the view of a not-for-profit organisation.

Significant Changes in the State of Affairs

During the current year the entity moved from being an incorporated body to a public company limited by guarantee.

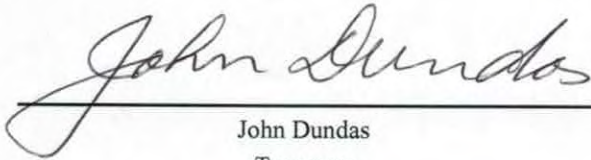
QUAKER SERVICE AUSTRALIA LIMITED

MANAGEMENT COMMITTEE'S REPORT

Auditors Independence Declaration

The lead auditor's independence declaration for the year ended 30 September 2018 has been received and can be found on page 5 of the financial report.

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



John Dundas
Treasurer



Garry Duncan
Convenor

Dated this *20th* day of December 2018

To the Committee Members' of Quaker Service Australia Limited

Auditor's Independence Declaration under subdivision 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*

As lead audit partner for the audit of the financial statements of Quaker Service Australia Limited for the financial year ended 30 September 2018, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (b) any applicable code of professional conduct in relation to the audit.

Yours sincerely



Nexia Sydney Audit Pty Ltd



Lester Wills
Director
Registered Company Auditor

Sydney

Dated: 20 December 2018

QUAKER SERVICE AUSTRALIA LIMITED

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

	Notes	2018	2017
		\$	\$
REVENUE			
Donations and gifts			
- Monetary		389,413	409,879
- Non-monetary		-	-
Bequests and Legacies		509,970	305,000
Grants			
- DFAT (Australian Aid)		385,288	333,900
Investment income - Interest from financial institutions		<u>10,858</u>	<u>7,960</u>
Total Revenue		<u><u>1,295,529</u></u>	<u><u>1,056,739</u></u>
EXPENSES			
International Aid and Development Programs Expenditure			
International programs:			
- Funds to international programs		(730,710)	(617,421)
- Program support costs		(61,674)	(50,048)
Less overheads allocated to projects		<u>42,769</u>	<u>31,000</u>
Total International Aid and Development Programs Expenditure		(749,615)	(636,469)
Community Education		(11,114)	(7,260)
Fundraising costs:			
- Public		(9,720)	(2,600)
- Government, multilateral and private		(7,806)	(19,370)
Accountability and administration		(71,500)	(69,235)
Depreciation and amortisation expenses		-	(1,354)
Domestic programs expenditure (incl. monetary and non-monetary)		(24,450)	(57,612)
Other expenditure		(127,394)	(91,115)
Total expenses		<u><u>(1,001,598)</u></u>	<u><u>(885,015)</u></u>
Excess/(shortfall) of revenue over expenditure		<u><u>293,931</u></u>	<u><u>171,724</u></u>
Other comprehensive income			
Other comprehensive income		-	-
Total comprehensive income for the year		<u><u>293,931</u></u>	<u><u>171,724</u></u>

The accompanying notes form part of these financial statements.

QUAKER SERVICE AUSTRALIA LIMITED

**STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2018**

	Notes	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	1,040,022	631,634
Other financial assets	4	<u>258,807</u>	<u>251,507</u>
TOTAL CURRENT ASSETS		<u>1,298,829</u>	<u>883,141</u>
NON-CURRENT ASSETS			
Plant and equipment	5	-	-
Other assets	6	<u>11,000</u>	<u>-</u>
TOTAL NON-CURRENT ASSETS		<u>-</u>	<u>-</u>
TOTAL ASSETS		<u>1,309,829</u>	<u>883,141</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	256,232	157,819
Deferred income		167,938	144,900
Provisions	8	<u>50,598</u>	<u>41,117</u>
TOTAL CURRENT LIABILITIES		<u>474,769</u>	<u>343,836</u>
NON-CURRENT LIABILITIES			
Provisions		<u>2,635</u>	<u>811</u>
TOTAL NON-CURRENT LIABILITIES		<u>2,635</u>	<u>811</u>
TOTAL LIABILITIES		<u>477,404</u>	<u>344,647</u>
EQUITY			
Reserves	9	148,734	126,430
Retained earnings		<u>683,691</u>	<u>412,064</u>
TOTAL EQUITY		<u>832,425</u>	<u>538,494</u>

The accompanying notes form part of these financial statements.

QUAKER SERVICE AUSTRALIA LIMITED
ABN 35 989 797 918

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2018

	Notes	Retained Earnings \$	Reserves \$	Total \$
2018				
Balance at 1 October 2017		412,064	126,430	538,494
Excess of revenue over expenses		293,931	-	293,931
Other amounts transferred (to) or from reserves		(22,304)	22,304	-
Balance at 30 September 2018		<u>683,691</u>	<u>148,734</u>	<u>832,425</u>
2017				
Balance at 1 October 2016		250,904	115,866	366,770
Excess of revenue over expenses		171,724	-	171,724
Other amounts transferred (to) or from reserves		(10,564)	10,564	-
Balance at 30 September 2017		<u>412,064</u>	<u>126,430</u>	<u>538,494</u>

The accompanying notes form part of these financial statements.

QUAKER SERVICE AUSTRALIA LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

	Notes	2018 \$	2017 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Bequests		509,970	305,000
Grants - DFAT (Australian Aid)		408,326	352,800
Donations received		389,413	409,877
Payments to suppliers and employees		(891,879)	(810,397)
Interest received		<u>3,558</u>	<u>335</u>
Net cash flows from operating activities		<u>419,388</u>	<u>257,615</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		-	-
Payment for security deposit		(11,000)	
Proceeds from investing activities		<u>-</u>	<u>40,000</u>
Net cash flows from investing activities		<u>(11,000)</u>	<u>40,000</u>
Net increase/(decrease) in cash and cash equivalents		408,388	297,615
Cash and cash equivalents at beginning of year		<u>631,634</u>	<u>334,019</u>
Cash and cash equivalents at end of year		<u><u>1,040,022</u></u>	<u><u>631,634</u></u>

(a) Reconciliation of cash

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

Cash and cash equivalents	3	<u>1,040,022</u>	<u>631,634</u>
		<u><u>1,040,022</u></u>	<u><u>631,634</u></u>

The accompanying notes form part of these financial statements.

QUAKER SERVICE AUSTRALIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

1 Significant accounting policies

1.1 Basis of preparation

The financial report includes the financial statements and notes of Quaker Service Australia Limited ('the company').

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and interpretations of the Australian Accounting Standards Board, the *Corporations Act 2001*, *Australian Charities and Not-for Profits Commission Act 2012* and the *Australian Council for International Development Code of Conduct Financial Standards*. Quaker Service Australia Limited is a public company limited by guarantee and is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs. The amounts presented in the financial statements have been rounded to the nearest dollar.

These financial statements are presented in Australian dollars, which is the company's functional currency.

The financial statements for the year ended 30 September 2018 were authorised for issue on 20th December 2018 by the Management Committee of Quaker Service Australia Limited.

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below.

1.2 Revenue

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of discounts. The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below. All revenue is stated net of the amount of goods and services tax (GST).

a) Interest revenue

Interest income is recognised on an accruals basis, using the effective interest method.

b) Grant revenue

Grant revenue is recognised when the company obtains control or right to receive the grant, it is probable that the economic benefits gained from the grant will flow to the company, and the amount of the grant can be measured reliably.

Grants that are refundable should specified services not be delivered or specified conditions not be satisfied, are initially recognised as a liability and revenue is recognised as the services are performed or the conditions satisfied.

c) Donations and bequests

Donations and bequests are recognised as revenue when the company gains control or right to receive, economic benefits are probable, and the amount of the donation or bequest can be measured reliably. This is generally on receipt.

d) Other revenue

Revenue from other sources is recognised when the fee in respect of other products or services provided is receivable.

1.3 Income tax

The company is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

1.4 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short term highly liquid investments with original maturities of three months or less and are subject to an insignificant risk of change in value.

1.5 Plant and Equipment

Each class of plant and equipment is carried at cost less, where applicable, any accumulated depreciation and any impairment losses.

QUAKER SERVICE AUSTRALIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

In the event that the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1.8 for details of impairment).

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the company commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of fixed asset	Depreciation Rate
Office furniture	15%
Office equipment	25%
Information technology	33%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the asset's carrying amount. These gains and losses are included in the statement of comprehensive income.

1.6 Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. For financial assets, this is the equivalent to the date that the company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method, or cost. The subsequent measurement depends on the classification of the financial instrument as described below.

Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- the amount at which the financial asset or financial liability is measured at initial recognition;
- less principal repayments;
- plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
- less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

The classification of financial instruments depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and at the end of each reporting period for held to maturity assets.

a) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

QUAKER SERVICE AUSTRALIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

Loans and receivables are included in current assets, except for those which are not expected to be realised within 12 months after the end of the reporting year.

b) Held-to-maturity investments

These investments have fixed maturities, and it is the company's intention to hold these investments to maturity. Any held-to-maturity investments held by the company are stated at amortised cost using the effective interest method.

c) Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from the changes in fair value are recognised in accumulated funds.

d) Financial liabilities

Non derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Fees payable on the establishment of loan facilities are recognised as transaction costs of the loan.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Impairment of financial assets

At the end of each reporting period, the Management Committee assess whether there is objective evidence that a financial asset has been impaired through the occurrence of a loss event. In the case of available for sale financial instruments, a significant or prolonged decline in the value of the instrument is considered to indicate that an impairment has arisen.

Impairment losses are recognised through an allowance account for loans and receivables in the statement of comprehensive income.

1.7 Impairment of non-financial assets

At each reporting date, the Management Committee assess whether there is an indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. For the purpose of determining recoverable amount, value in use is measured as the asset's depreciated replacement cost. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which it belongs.

1.8 Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. Trade and other payables are unsecured.

1.9 Employee benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits not expected to be wholly settled within twelve months have been measured at the present value of the estimated future cash outflows to be made in respect of those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those estimated cash outflows are discounted using market yields on Commonwealth government bonds with terms to maturity that match the expected timing of cash flows.

1.10 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 the 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.

QUAKER SERVICE AUSTRALIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018

1.11 Economic dependency

The company is dependent on the ongoing receipt of grants from the Federal and State Governments to ensure the continuance of its education services.

1.12 Donated services

The company 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 for the financial year was \$830.28. This was calculated according to the Australian pay rate as outlined in the Department of Foreign Affairs and Trade website.

Community Education

The committee also estimates that donated volunteer time devoted to Community Education was \$1,318.62. This is in addition to the Community Education expense (\$11,114) shown under Disbursements in the Income Statement (page 6) giving a total amount for Community Education of \$12,432.62.

2 Accountability and administration

	2018	2017
	\$	\$
Audit fees	6,600	6,458
Bank and credit card fees	653	1,123
Computer expenses	1,851	2,887
General expenses	8,647	26,551
Insurance expenses	3,775	3,600
Office expenses	3,022	4,029
Rent expense	30,501	4,800
Subscriptions	9,569	16,792
Telephone expenses	2,016	1,445
Travelling expenses	4,210	1,390
Workers compensation	655	297
	71,500	69,372

3 Cash and cash equivalents

Cash and cash equivalents consist of the following:

Cash on hand	228	251
Cash at bank	1,039,794	631,383
	1,040,022	631,634

4 Other financial assets

Available-for-sale financial assets:

Tasmanian Perpetual Trustee - long-term fund	258,807	251,507
----------------------------------------------	---------	---------

The effective return on the asset was 3.07% (2017: 3.03%) and it is redeemable with 7 business days' notice.

QUAKER SERVICE AUSTRALIA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

5 Plant and equipment

	2018	2017
	\$	\$
IT Equipment, furniture & Fixtures	6,236	6,236
Less: accumulated depreciation	<u>(6,236)</u>	<u>(6,236)</u>
	<u>-</u>	<u>-</u>

Movement in carrying value

	IT Equipment \$	Furniture and Fixtures \$	Total \$
Current year			
Balance at the beginning of the year	1,073	281	1,354
Additions	-	-	-
Disposals	-	-	-
Depreciation	<u>(1,073)</u>	<u>(281)</u>	<u>(1,354)</u>
Carrying amount at the end of year	<u>-</u>	<u>-</u>	<u>-</u>

6 Trade and other payables

CURRENT

Support money held	710	160
Project funding payable	<u>(256,942)</u>	<u>(157,979)</u>
	<u>(256,232)</u>	<u>(157,819)</u>

The carrying values of trade payables are considered to be a reasonable approximation of fair value.

7 Other assets

NON-CURRENT

Security deposit	<u>11,000</u>	<u>-</u>
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8 Employee benefits

CURRENT

Annual and long-service leave	<u>(50,599)</u>	<u>(41,117)</u>
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NON-CURRENT

Long-service leave	<u>(2,635)</u>	<u>(811)</u>
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9 Reserves

The company holds a reserve fund of \$148,734 (2017: \$126,430) kept aside for expenditure outside of ordinary activities. This is to allow for exchange rate losses, staff annual leave and long service leave, and to provide for three months of expenditure in the event of winding up.

QUAKER SERVICE AUSTRALIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018

10 Funds to international programs

Includes no donations received this year and passed on to another agency.

11 Key management personnel compensation

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any member of the committee is considered key management personnel (KMP). The totals of remuneration paid to KMP or the company during the year are as follows:

	2018	2017
	\$	\$
Total remuneration paid & payable to key management personnel.	84,821	86,256

12 Related party disclosures

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Related party transactions during the year totalled to \$2,000 (2017: \$4,800) paid as rent to the Religious Society of Friends (Quakers) NSW Regional Meeting including the owners of the property at 119 Devonshire Street Surry Hills.

13 Suspected Fraud

During the financial year the Company was made aware of suspected fraudulent activities in one of the projects operating in Uganda. This matter is still ongoing and the outcome is uncertain.

14 Commitments

Project commitments

Project commitments contracted for but not recognised in the financial statements:

Payable within 12 months	275,047	257,662
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Project liabilities and expenses are recognised when the service provider has met the milestone requirements.

15 Events after the reporting period

There has not risen in the interval between the end of the reporting period and the date of this report any item, transaction or event of a material or unusual nature likely, in the opinion of the Management Committee, to affect significantly the operations of the entity, the results of those operations, or the state of affairs of the entity in future years.

16 Company details

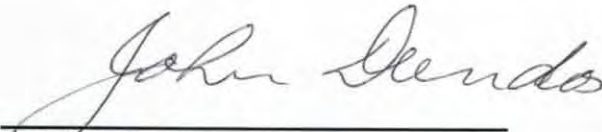
The principal place of business of the company is:
Unit 14 43-53 Bridge Rd
Stanmore NSW 2048

QUAKER SERVICE AUSTRALIA LIMITED
MANAGEMENT COMMITTEE DECLARATION

The Management Committee of Quaker Service Australia Limited declare that, in their opinion:

- (a) the financial statements and notes as set out on pages 6 to 15, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and the *Australian Council for International Development Code of Conduct Financial Standards* and:
 - i. comply with Australian Accounting Standards – Reduced Disclosure Requirements; and
 - ii. give a true and fair view of the financial position as at 30 September 2018 and of the performance for the year ended on that date of the company;
- (b) in the Management Committee's opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Management Committee.



John Dundas
Treasurer



Garry Duncan
Convenor

Dated this 20th day of December 2018

Independent Auditor's Report to the Members of Quaker Service Australia Limited

Report on the Audit of the Financial Report

Qualified opinion

We have audited the financial report of Quaker Service Australia Limited (the Company), which comprises the statement of financial position as at 30 September 2018, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Committee Members' declaration.

In our opinion, except for the possible effects of the matter described in the 'Basis for qualified opinion' section of our report, the accompanying financial report of the Company is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and *Australian Council for International Development Code of Conduct Financial Standards*, including:

- i) giving a true and fair view of the Company's financial position as at 30 September 2018 and of its financial performance for the year then ended; and
- ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and *Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for qualified opinion

Fundraising revenue is a significant source of revenue for the Company. The small size of the organisation limits its span of control over more remote fundraising activities by its volunteers around Australia. Accordingly, as the evidence available to us regarding revenue from these sources was limited, our audit procedures with respect to fundraising had to be restricted to the amounts recorded in the financial records. We therefore are unable to express an opinion whether donations and fees recorded for the Company are complete.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the 'auditor's responsibilities for the audit of the financial report' section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other information

The Committee Members are responsible for the other information. The other information comprises the information in Quaker Service Australia Limited's annual report for the year ended 30 September 2018, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information we are required to report that fact. We have nothing to report in this regard.

Committee Members' responsibility for the financial report

The Committee Members of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*, the *Australian Council for International Development Code of Conduct Financial standards* and for such internal control as the Committee Members determine 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 preparing the financial report, the Committee Members are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee Members either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibility for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at The Australian Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_files/ar4.pdf. This description forms part of our auditor's report.



Nexia Sydney Audit Pty Ltd



Lester Wills

Director

Dated: 20 December 2018
Sydney