

Quaker Service Australia Limited

ABN 35 989 797 918

Annual Report - 30 September 2022

Quaker Service Australia Limited

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30 September 2022

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General information

The financial statements cover Quaker Service Australia Limited as an individual entity. The financial statements are presented in Australian dollars, which is Quaker Service Australia Limited's functional and presentation currency.

Quaker Service Australia Limited is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Unit 14 43-53 Bridge Rd
Stanmore NSW 2048

A description of the nature of the company's operations and its principal activities are included in the Management Committees' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Management Committees, on 11 January 2023. The Management Committees have the power to amend and reissue the financial statements.

**Quaker Service Australia Limited
Management Committees' report
30 September 2022**

The Management Committees present their report, together with the financial statements, on the company for the year ended 30 September 2022.

Committees

The following persons were committee members of the Company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Laurel Doel	appointed 06/02/2022
Therese Douglas	appointed 06/01/2022 appointed 19/02/2021 Co-Convenor
Mary Jane Hogan	appointed 17/03/2021
Rae Litting	appointed 05/08/2019 appointed 07/05/2022 Co-Convenor
Dan Ong	appointed 06/03/2021 appointed 01/07/2021 Treasurer
Pia Reiersen	appointed 16/02/2020
Martin Reusch	appointed 05/09/2020
Garry Duncan	retired 19/02/2022
John Dundas	retired 15/01/2022

Ex officio:

Ann Zubrick - Presiding Clerk of the Religious Society of Friends (Quakers) in Australia Inc.	appointed 14/07/2019 retired 09/07/2022
Jacqueline Schultze - Secretary of the Religious Society of Friends (Quakers) in Australia Inc.	appointed 01/07/2016
Bruce Henry - Presiding Clerk of the Religious Society of Friends (Quakers) in Australia Inc.	appointed 27/07/2022

The regional meeting Quaker Service Australia Linkages Committee representatives are:

	<i>Representatives (who are also members of the Company)</i>
Canberra regional meeting	Vacant
Queensland regional meeting	Helen Webb (appointed 09/09/2022) Rhoda Dorrel (retired 19/02/2022)
South Australia & Northern Territory regional meeting	Jo Jordan (appointed 27/10/2019)
New South Wales regional meeting	Rae Litting (appointed 05/08/2019)
Tasmania regional meeting	Peter Jones (appointed 28/10/2021)
Victoria regional meeting	Vacant
West Australia regional meeting	Lesli Grant (appointed 10/08/2020)
Young Friends representative	Vacant

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 deficit amounted to \$275,488 (2021: surplus \$64,958).

Review of operations

During the 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

There are no significant changes in the state of affairs of the company during the year.

**Quaker Service Australia Limited
Management Committees' report
30 September 2022**

Information on Management Committees

Name: Laurel Doel
Title: NSW – Member
Experience and expertise: Brings to QSA extensive experience in the field of adult education, through her work in prisons, Adult Migrant English Service, NSW TAFE and teacher training programs in the tertiary sector. She has a strongly held belief that education is transformative, particularly for those who have faced barriers to learning.

Name: Therese Douglas
Title: NSW – Member, Co-Convenor
Experience and expertise: Has extensive experience in running community based development projects in Australia. Served on numerous community development committees and management committees , including previously for QSA. With her family, volunteered in Papua New Guinea for two years with Australian Volunteers Abroad.

Name: Mary Jane Hogan
Title: NSW – Member
Experience and expertise: Mary Jane is a retired teacher of English to adult migrants and international students with a strong adherence to social justice matters. She worked for 15 years as a freelance consultant in language assessment, managing test writing teams and delivering teacher professional development workshops.

Name: Rae Litting
Title: NSW – Member, Co Convenor
Experience and expertise: Rae has an understanding of cross-cultural issues from professional and lived experience. She has published QSA material in the Australian Friend and served on numerous Quaker Committees, including QSA Management Committee from 1999 to 2002.

Name: Dan Ong
Title: NSW – Member, Treasurer
Experience and expertise: Dan is an experienced risk professional in the financial services industry and a decision-maker in all areas of risk management In addition, he has strong leadership and mentoring capability.

Name: Pia Reiersen
Title: NSW – Member
Experience and expertise: Pia has extensive experience with humanitarian and development work (since 1992) and expertise from a range of management and board work.

Name: Martin Reusch
Title: NSW – Member
Experience and expertise: Martin as lived and worked in the Middle East for extended periods. He has worked extensively with refugees and asylum seekers.

Meetings of Management Committees

The number of meetings of the company's Board of Management Committees ('the Board') held during the year ended 30 September 2022, and the number of meetings attended by each Management Committee were:

	Attended	Held
Garry Duncan	1	4
Pia Reiersen	3	4
Martin Reusch	2	4
Dan Ong	4	4
Mary Jane Hogan	4	4
Laurel Doel	2	4
Rae Litting	3	4
Therese Douglas	4	4

**Quaker Service Australia Limited
Management Committees' report
30 September 2022**

Held: represents the number of meetings held during the time the Management Committee held office.

Contributions on winding up

In the event of the company being wound up, ordinary members are required to contribute a maximum of \$1.00 each. Honorary members are not required to contribute.

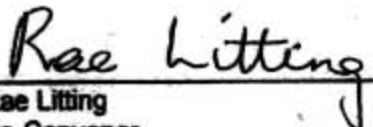
The total amount that members of the company are liable to contribute if the company is wound up is \$1.00.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Management Committees' report.

This report is made in accordance with a resolution of Management Committees, pursuant to section 298(2)(a) of the Corporations Act 2001.

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


Rae Litting
Co-Convenor


Dan Ong
Treasurer

11 January 2023

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 director for the audit of the financial statements of Quaker Service Australia Limited for the financial year ended 30 September 2022, 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



Stephen Fisher
Director

Sydney

Dated: 11 January 2023

Quaker Service Australia Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 September 2022

	Note	2022 \$	2021 \$
Revenue	3	769,182	900,798
Expenses			
International aid and development programs expenditure	4	(719,550)	(511,032)
Community education	5	(190)	(51)
Accountability and administration	6	(38,281)	(45,097)
Employee benefits expense		(192,259)	(240,987)
Depreciation and amortisation expense		(42,840)	(26,173)
Domestic programs expenditure (Inc monetary and non monetary)		<u>(51,550)</u>	<u>(12,500)</u>
(Deficit)/surplus for the year		(275,488)	64,958
Other comprehensive income for the year		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u><u>(275,488)</u></u>	<u><u>64,958</u></u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Quaker Service Australia Limited
Statement of financial position
As at 30 September 2022

	Note	2022 \$	2021 \$
Assets			
Current assets			
Cash and cash equivalents	7	793,342	1,022,111
Trade and other receivables	8	17,860	-
Financial assets at fair value through profit or loss	9	278,609	274,230
Total current assets		<u>1,089,811</u>	<u>1,296,341</u>
Non-current assets			
Right-of-use assets	10	16,666	59,505
Other assets	11	11,000	11,000
Total non-current assets		<u>27,666</u>	<u>70,505</u>
Total assets		<u>1,117,477</u>	<u>1,366,846</u>
Liabilities			
Current liabilities			
Trade and other payables	13	214,304	125,006
Contract liabilities	14	178,795	222,579
Lease liabilities	15	14,718	43,584
Employee benefits	16	106,874	87,282
Total current liabilities		<u>514,691</u>	<u>478,451</u>
Non-current liabilities			
Lease liabilities	15	-	14,151
Employee benefits	16	15,035	11,005
Total non-current liabilities		<u>15,035</u>	<u>25,156</u>
Total liabilities		<u>529,726</u>	<u>503,607</u>
Net assets		<u>587,751</u>	<u>863,239</u>
Equity			
Reserves	17	212,287	212,287
Retained earnings		<u>375,464</u>	<u>650,952</u>
Total equity		<u>587,751</u>	<u>863,239</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Quaker Service Australia Limited
Statement of changes in equity
For the year ended 30 September 2022

	Reserves \$	Retained earnings \$	Total equity \$
Balance at 1 October 2020	198,782	599,499	798,281
Surplus for the year	-	64,958	64,958
Other comprehensive income for the year	-	-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the year	-	64,958	64,958
<i>Transactions with members in their capacity as members:</i>			
Other amounts transferred (to) or from reserves	13,505	(13,505)	-
	<hr/>	<hr/>	<hr/>
Balance at 30 September 2021	<u>212,287</u>	<u>650,952</u>	<u>863,239</u>
	Reserves \$	Retained earnings \$	Total equity \$
Balance at 1 October 2021	212,287	650,952	863,239
Deficit for the year	-	(275,488)	(275,488)
Other comprehensive income for the year	-	-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the year	-	(275,488)	(275,488)
	<hr/>	<hr/>	<hr/>
Balance at 30 September 2022	<u>212,287</u>	<u>375,464</u>	<u>587,751</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Quaker Service Australia Limited
Statement of cash flows
For the year ended 30 September 2022

	Note	2022 \$	2021 \$
Cash flows from operating activities			
Bequests		-	114,485
Grants - DFAT (Australian Aid)		394,372	416,729
Donations received		325,192	351,901
Payments to suppliers and employees (inclusive of GST)		<u>(905,327)</u>	<u>(779,703)</u>
		(185,763)	103,412
Interest received		1,455	4,438
Interest and other finance costs paid		<u>(1,444)</u>	<u>(1,698)</u>
Net cash (used in)/from operating activities		<u>(185,752)</u>	<u>106,152</u>
Net cash from investing activities		<u>-</u>	<u>-</u>
Cash flows from financing activities			
Repayment of lease liabilities		<u>(43,017)</u>	<u>(27,943)</u>
Net cash used in financing activities		<u>(43,017)</u>	<u>(27,943)</u>
Net (decrease)/increase in cash and cash equivalents		(228,769)	78,209
Cash and cash equivalents at the beginning of the financial year		<u>1,022,111</u>	<u>943,902</u>
Cash and cash equivalents at the end of the financial year	7	<u><u>793,342</u></u>	<u><u>1,022,111</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

The following Accounting Standards and Interpretations are most relevant to the company:

Conceptual Framework for Financial Reporting (Conceptual Framework)

The company has adopted the revised Conceptual Framework from 1 January 2022. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the company's financial statements.

AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

The company has adopted AASB 1060 from 1 July 2021. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of IFRS for SMEs. As a result, there is increased disclosure in these financial statements for key management personnel, related parties, tax and financial instruments.

Basis of preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB'), the Australian Charities and Not-for-profits Commission Act 2012 and the Corporations Act 2001, as appropriate for not-for profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Revenue recognition

The company recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Note 1. Significant accounting policies (continued)

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Grant revenue

Grant revenue is recognised in profit or loss when the company satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the company is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

Donations and bequests

Donations and bequests are recognised at the time the pledge is made.

Volunteer services

The company has elected not to recognise volunteer services as either revenue or other form of contribution received. As such, any related consumption or capitalisation of such resources received is also not recognised.

Income tax

As the company is a tax exempt institution in terms of subsection 50-10 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Note 1. Significant accounting policies (continued)

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Impairment of financial assets

The company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Note 1. Significant accounting policies (continued)

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Contract liabilities

Contract liabilities represent the company's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the company has transferred the goods or services to the customer.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave, long service leave and accumulating sick leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled. Non-accumulating sick leave is expensed to profit or loss when incurred.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Note 1. Significant accounting policies (continued)

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

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.

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 \$10,250. 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 \$1,190. There is no Community Education amount shown under Disbursements in the Statement of Profit or Loss and Other Comprehensive Income (page 6) because we were unable to physically visit other states because of COVID-19 restrictions. The total amount for Community Education this year is therefore \$1,190.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Quaker Service Australia Limited
Notes to the financial statements
30 September 2022

Note 3. Revenue

	2022	2021
	\$	\$
<i>Donations and gifts</i>		
- Monetary	325,192	351,901
- Non-monetary	-	-
Bequests and legacies	-	102,485
<i>Grants</i>		
- DFAT (Australian aid)	438,156	429,974
Investment income - Interest from financial institutions	5,834	4,438
Other income	-	12,000
	<u>769,182</u>	<u>900,798</u>

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	2022	2021
	\$	\$
<i>Major service lines</i>		
Donations and gifts	325,192	351,901
Bequests and legacies	-	102,485
Grants	438,156	429,974
Interest from financial institutions	5,834	4,438
Other Income	-	12,000
	<u>769,182</u>	<u>900,798</u>

Geographical regions

Australia	<u>769,182</u>	<u>900,798</u>
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Timing of revenue recognition

Services transferred at a point in time	325,192	454,386
Services transferred over time	443,990	446,412
	<u>769,182</u>	<u>900,798</u>

Note 4. International aid and development programs expenditure

	2022	2021
	\$	\$
<i>International programs:</i>		
- Funds to international programs	709,178	502,724
- Program support costs	50,806	48,680
<i>Less:</i>		
Overheads allocated to projects	(40,434)	(40,372)
	<u>719,550</u>	<u>511,032</u>

Quaker Service Australia Limited
Notes to the financial statements
30 September 2022

Note 5. Community education

	2022	2021
	\$	\$
<i>Fundraising costs:</i>		
Public	190	51
Government, multilateral and private	-	-
	<u>190</u>	<u>51</u>

Note 6. Accountability and administration

	2022	2021
	\$	\$
Audit fees	9,500	8,200
Bank and credit card fees	411	531
Computer expenses	468	805
General expenses	11,350	221
Insurance expenses	4,979	4,644
Office expenses	3,200	2,956
Rent expense	-	14,821
Subscriptions	5,829	9,243
Telephone expenses	1,100	1,225
Workers compensation	-	753
Interest expenses	1,444	1,698
	<u>38,281</u>	<u>45,097</u>

Note 7. Cash and cash equivalents

	2022	2021
	\$	\$
<i>Current assets</i>		
Cash on hand	76	76
Cash at bank	793,266	1,022,035
	<u>793,342</u>	<u>1,022,111</u>

Note 8. Trade and other receivables

	2022	2021
	\$	\$
<i>Current assets</i>		
Other receivables	17,860	-
	<u>17,860</u>	<u>-</u>

Note 9. Financial assets at fair value through profit or loss

	2022	2021
	\$	\$
<i>Current assets</i>		
Tasmanian Perpetual Trustee - long-term fund	278,609	274,230
	<u>278,609</u>	<u>274,230</u>

The effective return on the asset was 1.60% (2021: 2.29%) and it is redeemable with 7 business days' notice.

Quaker Service Australia Limited
Notes to the financial statements
30 September 2022

Note 10. Right-of-use assets

	2022	2021
	\$	\$
<i>Non-current assets</i>		
Land and buildings - right-of-use	85,678	85,678
Less: Accumulated depreciation	<u>(69,012)</u>	<u>(26,173)</u>
	<u><u>16,666</u></u>	<u><u>59,505</u></u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Land and buildings - right-of-use	Total
	\$	\$
Balance at 1 October 2021	59,505	59,505
Depreciation expense	<u>(42,839)</u>	<u>(42,839)</u>
Balance at 30 September 2022	<u><u>16,666</u></u>	<u><u>16,666</u></u>

Note 11. Other assets

	2022	2021
	\$	\$
<i>Non-current assets</i>		
Security deposits	<u>11,000</u>	<u>11,000</u>

Note 12. Property, plant and equipment

	2022	2021
	\$	\$
<i>Non-current assets</i>		
Fixtures and fittings - at cost	6,236	6,236
Less: Accumulated depreciation	<u>(6,236)</u>	<u>(6,236)</u>
	<u><u>-</u></u>	<u><u>-</u></u>

Note 13. Trade and other payables

	2022	2021
	\$	\$
<i>Current liabilities</i>		
Project funding payable	183,062	124,785
GST payable	29,609	221
Other payables	<u>1,633</u>	<u>-</u>
	<u><u>214,304</u></u>	<u><u>125,006</u></u>

Quaker Service Australia Limited
Notes to the financial statements
30 September 2022

Note 14. Contract liabilities

	2022	2021
	\$	\$
<i>Current liabilities</i>		
Contract liabilities	<u>178,795</u>	<u>222,579</u>

Note 15. Lease liabilities

	2022	2021
	\$	\$
<i>Current liabilities</i>		
Lease liability	<u>14,718</u>	<u>43,584</u>
<i>Non-current liabilities</i>		
Lease liability	<u>-</u>	<u>14,151</u>
	<u>14,718</u>	<u>57,735</u>

Note 16. Employee benefits

	2022	2021
	\$	\$
<i>Current liabilities</i>		
Annual leave	53,956	51,454
Long service leave	39,012	35,828
Parental leave	13,906	-
	<u>106,874</u>	<u>87,282</u>
<i>Non-current liabilities</i>		
Long service leave	<u>15,035</u>	<u>11,005</u>
	<u>121,909</u>	<u>98,287</u>

Note 17. Reserves

	2022	2021
	\$	\$
General reserve	<u>212,287</u>	<u>212,287</u>

The company holds a reserve fund 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.

Note 18. Funds to international programs

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

Quaker Service Australia Limited
Notes to the financial statements
30 September 2022

Note 19. Key management personnel disclosures

Compensation

The aggregate compensation made to Management Committees and other members of key management personnel of the company is set out below:

	2022	2021
	\$	\$
Aggregate compensation	<u>-</u>	<u>-</u>

Management Committee members are on a voluntary basis therefore no remuneration is paid.

Note 20. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by , the auditor of the company:

	2022	2021
	\$	\$
<i>Audit services -</i> Audit of the financial statements	<u>9,900</u>	<u>9,000</u>

Note 21. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 19.

Transactions with related parties

There were no transactions with related parties during the current and previous financial year.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

Related party transactions during the year totalled to \$ nil (2021: \$ nil).

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 22. Commitments

	2022	2021
	\$	\$
<i>Project commitments</i> Project commitments contracted for but not recognised in the financial statements: Within one year	<u>247,441</u>	<u>249,834</u>

Project liabilities and expenses are recognised when the service provider has met the milestone requirements.

Note 23. Events after the reporting period

No matter or circumstance has arisen since 30 September 2022 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

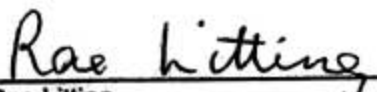
**Quaker Service Australia Limited
Management Committee's declaration
30 September 2022**

In the Management Committee's opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosures, the Australian Charities and Not-for-profits Commission Act 2012, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 September 2022 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Management Committee made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the Management Committee


Rae Litting
Co-Convenor


Dan Ong
Treasurer

11 January 2023

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

Report on the Audit of the Financial Report

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 2022, 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, the accompanying financial report of the Company is in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

- i) giving a true and fair view of the Company's financial position as at 30 September 2022 and of its financial performance for the year then ended; and
- ii) complying with Australian Accounting Standards - Simplified Disclosures and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis for opinion

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 & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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 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 2022, 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 and the Australian Charities and Not-for-profits Commission Act 2012 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_responsibilities/ar4.pdf. This description forms part of our auditor's report.



Nexia Sydney Audit Pty Ltd



Stephen Fisher

Director

Dated: 11 January 2023

Sydney