

Refugee Council of Australia Inc

ABN 87 956 673 083

Financial Statements

For the Year Ended 30 June 2010

Refugee Council of Australia Inc

ABN 87 956 673 083

For the Year Ended 30 June 2010

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Refugee Council of Australia Inc

ABN 87 958 673 083

Directors' Report

For the Year Ended 30 June 2010

Your committee members submit the financial report of the association for the financial year ended 30 June 2010.

1. General Information

Committee Members

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

John Gibson
Esti Paschalidis-Chilas
William Maley
Lionel Conyer
Sky de Jersey
David Etel
Maureen Adamson
Pera Aristoda
Elizabeth Blok
Sonia Caton
Kevin Liston
Jenny Sampa
Melika Sheikh-Eldin
Bobby Whitfield
Phil Glendenning
Judyn Watson

Principal Activities

The principal activities of Refugee Council of Australia Inc during the financial year were research, policy analysis, training and community education.

Significant Changes

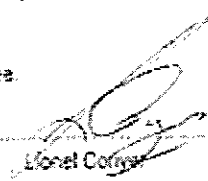
No significant change in the nature of these activities occurred during the year.

2. Operating Results

The profit of the association for the financial year after providing for income tax amounted to \$27,415 (2009: \$17,892).

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

President 
John Gibson

Treasurer 
Lionel Conyer

Dated this 29th day of SEPT 2010

Refugee Council of Australia Inc

ABN 87 956 673 083

Auditors Independence Declaration under Section 307C of the Corporations Act 2001

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2010 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

DFK Laurence Varnay
Chartered Accountants



Steven Heller
Partner

Level 7, 131 York Street Sydney

29 September 2010

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Refugee Council of Australia Inc

ABN 87 956 673 083

Statement of Comprehensive Income

For the Year Ended 30 June 2010

	2010	2009
	\$	\$
Revenue	513,405	457,961
Other income	4,780	10,315
Employee benefits expense	(359,979)	(323,304)
Depreciation, amortisation and impairments	(3,412)	(3,279)
Other expenses	(127,379)	(123,801)
Profit before income tax	27,415	17,892
Total comprehensive income for the year	27,415	17,892

The accompanying notes form part of these financial statements.

Refugee Council of Australia Inc

ABN 87 956 673 083

Statement of Financial Position

As At 30 June 2010

	Note	2010 \$	2009 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	144,035	100,964
Trade and other receivables	3	27,058	5,506
TOTAL CURRENT ASSETS		171,093	106,470
NON-CURRENT ASSETS			
Property, plant and equipment	4	5,939	9,351
TOTAL NON-CURRENT ASSETS		5,939	9,351
TOTAL ASSETS		177,032	115,821
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	5	107,646	24,647
Provisions	6	18,554	17,757
Other Liabilities	7	-	50,000
TOTAL CURRENT LIABILITIES		126,200	92,404
TOTAL LIABILITIES		126,200	92,404
NET ASSETS		50,832	23,417
EQUITY			
Retained earnings		50,832	23,417
TOTAL EQUITY		50,832	23,417

The accompanying notes form part of these financial statements.

Refugee Council of Australia Inc

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Statement of Changes in Equity

For the Year Ended 30 June 2010

2010

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2009	23,417	23,417
Profit attributable to members of the entity	27,415	27,415
Balance at 30 June 2010	50,832	50,832

2009

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2008	5,526	5,526
Profit attributable to members of the entity	17,891	17,891
Balance at 30 June 2009	23,417	23,417

The accompanying notes form part of these financial statements.

Refugee Council of Australia Inc

ABN 87 956 673 083

Cash Flow Statement

For the Year Ended 30 June 2010

	Note	2010 \$	2009 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from supporters		134,252	277,700
Receipts from consultancy and training		44,279	33,371
Receipts from other funding sources		227,931	128,832
Donations received		86,613	43,952
Interest received		3,557	9,505
Payments to suppliers and employees		<u>(453,561)</u>	<u>(495,592)</u>
Net cash provided by (used in) operating activities	9	<u>43,071</u>	<u>(2,232)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	4	<u>-</u>	<u>(3,970)</u>
Net cash provided by (used in) investing activities		<u>-</u>	<u>(3,970)</u>
Net increase (decrease) in cash held		43,071	(6,202)
Cash and cash equivalents at beginning of financial year		<u>100,964</u>	107,166
Cash and cash equivalents at end of financial year	2	<u><u>144,035</u></u>	<u>100,964</u>

The accompanying notes form part of these financial statements.

Refugee Council of Australia Inc

ABN 87 956 673 083

Notes to the Financial Statements

For the Year Ended 30 June 2010

1 Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards, Australian Accounting Interpretations and the *Associations Incorporation Act 1991*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(b) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Where the association has retrospectively applied an accounting policy, made a retrospective restatement or reclassifies items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

(c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by committee members to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Refugee Council of Australia Inc

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Notes to the Financial Statements

For the Year Ended 30 June 2010

1 Summary of Significant Accounting Policies continued

(c) Property, Plant and Equipment continued

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

Class of Fixed Asset

Furniture, Fixtures and Fittings	5%
Office Equipment	10 - 33%

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(d) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities in the statement of financial position.

(e) Employee Benefits

Provision is made for the association'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 settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Those cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

(f) Provisions

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Refugee Council of Australia Inc

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Notes to the Financial Statements

For the Year Ended 30 June 2010

1 Summary of Significant Accounting Policies continued

(g) 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 association 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.

(h) Income Tax

The association is a Public Benevolent Institution and is also endorsed as a Deductible Gift Recipient from 1 July 2000.

In accordance with a letter of advice from the Australian Taxation Office, the association is endorsed for charity tax concessions as follows:

- Income tax exemption from 1 July 2000 under sub division 50-B of the Income Tax Assessment Act 1997.
- GST concessions from 1 July 2005 under division 176 of a New Tax System (Goods & Services Tax) Act 1999.
- FBT exemption from 1 July 2005 under section 123C of the Fringe Benefits Tax Assessment Act.

These charity tax concessions are recorded on the public register maintained by the Australian Business Registrar. Accordingly the management committee have not provided for any Income Tax in the accounts.

(i) Revenue and Other Income

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

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

(j) 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 Tax 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.

Refugee Council of Australia Inc

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Notes to the Financial Statements

For the Year Ended 30 June 2010

1 Summary of Significant Accounting Policies continued

(j) Goods and Services Tax (GST) continued

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.

(k) Adoption of New and Revised Accounting Standards

During the current year the association adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these standards has impacted the recognition, measurement and disclosure of certain transactions. The following is an explanation of the impact the adoption of these standards and interpretations has had on the financial statements of Refugee Council of Australia Inc.

AASB 101: Presentation of Financial Statements

In September 2007 the Australian Accounting Standards Board revised AASB 101 and as a result, there have been changes to the presentation and disclosure of certain information within the financial statements. Below is an overview of the key changes and the impact on the association's financial statements.

Disclosure impact

Terminology changes - The revised version of AASB 101 contains a number of terminology changes, including the amendment of the names of the primary financial statements.

Reporting changes in equity - The revised AASB 101 requires all changes in equity arising from transactions with owners in their capacity as owners to be presented separately from non-owner changes in equity. Owner changes in equity are to be presented in the statement of changes in equity, with non-owner changes in equity presented in the statement of comprehensive income. The previous version of AASB 101 required that owner changes in equity and other comprehensive income be presented in the statement of changes in equity.

Statement of comprehensive income - The revised AASB 101 requires all income and expenses to be presented in either one statement, the statement of comprehensive income, or two statements, a separate income statement and a statement of comprehensive income. The previous version of AASB 101 required only the presentation of a single income statement.

The association's financial statements now contain a statement of comprehensive income.

Other comprehensive income - The revised version of AASB 101 introduces the concept of 'other comprehensive income' which comprises of income and expenses that are not recognised in profit or loss as required by other Australian Accounting Standards. Items of other comprehensive income are to be disclosed in the statement of comprehensive income. Entities are required to disclose the income tax relating to each component of other comprehensive income. The previous version of AASB 101 did not contain an equivalent concept.

Refugee Council of Australia Inc

ABN 87 956 673 083

Notes to the Financial Statements

For the Year Ended 30 June 2010

2 Cash and Cash Equivalents

	2010	2009
	\$	\$
Cash on hand	357	200
Cash at bank	143,678	100,764
	<u>144,035</u>	<u>100,964</u>

3 Trade and Other Receivables

CURRENT

Trade receivables	25,518	2,450
Other receivables	1,540	3,056
	<u>27,058</u>	<u>5,506</u>

4 Property, Plant and Equipment

PLANT AND EQUIPMENT

Furniture, fixture and fittings

At cost	16,127	20,912
Accumulated depreciation	(10,188)	(11,561)
Total furniture, fixture and fittings	<u>5,939</u>	<u>9,351</u>
Total property, plant and equipment	<u>5,939</u>	<u>9,351</u>

Refugee Council of Australia Inc

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Notes to the Financial Statements

For the Year Ended 30 June 2010

4 Property, Plant and Equipment continued Movements in Carrying Amounts

Movement in the carrying amount for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Furniture, Fixtures and Fittings \$	Total \$
Balance at the beginning of year	9,351	9,351
Depreciation expense	(3,412)	(3,412)
Carrying amount at the end of 30 June 2010	<u>5,939</u>	<u>5,939</u>
Balance at 30 June 2009		
Balance at the beginning of year	8,661	8,661
Additions	3,969	3,969
Depreciation expense	(3,279)	(3,279)
Carrying amount at the end of 30 June 2009	<u>9,351</u>	<u>9,351</u>

5 Trade and Other Payables

	2010 \$	2009 \$
CURRENT		
Unsecured liabilities		
Trade payables	2,826	2,922
GST payables	5,149	3
Sundry payables and accrued expenses	99,671	21,722
	<u>107,646</u>	<u>24,647</u>

6 Provisions

	Employee entitlements \$	Total \$
Opening balance at 1 July 2009	17,757	17,757
Additional provisions	797	797
Balance at 30 June 2010	<u>18,554</u>	<u>18,554</u>
Analysis of Total Provisions		
Current	<u>18,554</u>	17,757
	<u>18,554</u>	<u>17,757</u>

Refugee Council of Australia Inc

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Notes to the Financial Statements

For the Year Ended 30 June 2010

7 Other Financial Liabilities

	2010	2009
	\$	\$
CURRENT		
Other deferred income	-	50,000
	<u>-</u>	<u>50,000</u>

8 Auditors' Remuneration

Remuneration of the auditor of the association for:

- auditing or reviewing the financial report	2,382	2,000
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9 Cash Flow Information

Reconciliation of Cash Flow from Operations with Profit after Income Tax

Net income/loss for the period	27,415	17,893
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit		
- Depreciation	3,412	3,279
Changes in assets and liabilities		
- (Increase)/decrease in trade and term receivables	(21,552)	25,084
- Increase/(decrease) in trade payables and accruals	82,999	2,437
- Increase/(decrease) in deferred income	(50,000)	(56,128)
- Increase/(decrease) in provisions	797	5,203
	<u>43,071</u>	<u>(2,232)</u>

10 Association Details

The registered office of the association is:
Refugee Council of Australia Inc
Suite 4A6, 410 Elizabeth St
Surry Hills NSW 2010

Refugee Council of Australia Inc

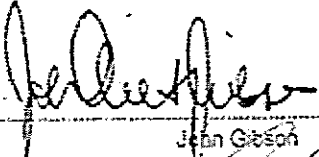
ABN 87 956 673 053

Directors' Declaration

In the opinion of the committee the financial report as set out on pages 3 to 13:

1. Presents a true and fair view of the financial position of Refugee Council of Australia Inc as at 30 June 2010 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that Refugee Council of Australia Inc will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the committee and is signed for and on behalf of the committee by:

President 
Jean Gibson

Treasurer 
Lionel Conyer

Dated this 29th day of SEPTEMBER 2010

Refugee Council of Australia Inc

ABN 87 956 673 083

Independent Audit Report to the members of Refugee Council of Australia Inc

Report on the Financial Report

We have audited the accompanying financial report of Refugee Council of Australia Inc (the association), which comprises the statement of financial position as at 30 June 2010, statement of comprehensive income, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Associations Incorporation Act 1991*. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

Refugee Council of Australia Inc

ABN 87 956 673 083

Independent Audit Report to the members of Refugee Council of Australia Inc

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

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

In our opinion the financial report of Refugee Council of Australia Inc is in accordance with the *Associations Incorporation Act 1991*, including:

- (a) giving a true and fair view of the association's financial position as at 30 June 2010 and of its performance and its cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Associations Incorporation Act 1991*.

DFK Laurence Varnay
Chartered Accountants



Steven Heller
Partner

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29 September 2010

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Refugee Council of Australia Inc

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For the Year Ended 30 June 2010

Disclaimer

The additional financial data presented on page 18 is in accordance with the books and records of the association which have been subjected to the auditing procedures applied in our statutory audit of the association for the year ended 30 June 2010. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Refugee Council of Australia Inc) in respect of such data, including any errors of omissions therein however caused.

29 September 2010

Level 7, 131 York Street Sydney

DFK Laurence Varnay
Chartered Accountants



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Steven Heller
Partner

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Refugee Council of Australia Inc

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For the Year Ended 30 June 2010

Detailed Profit and Loss Statement

	2010	2009
	\$	\$
Income		
Consultancies	44,279	33,470
DIAC Contracts	192,705	96,431
Donations from ARF	-	16,943
Interest income	3,557	9,505
Member subscriptions	34,002	31,591
Grants	155,805	235,574
Donations	86,613	43,952
Other income	1,223	810
Total income	518,184	468,276
Less: Expenses		
Auditors remuneration - parent entity	2,382	2,000
Bank charges	2,221	1,156
Board expenses	14,096	7,467
Computer expenses	3,209	7,555
Consulting & grant direct expenses	14,207	18,336
Depreciation	3,412	3,279
Electricity and water	2,203	2,400
Insurance	3,829	1,825
Office rent (Sydney & Melbourne)	28,648	27,682
Leave pay	797	5,203
Other employee costs	-	2,298
Postage	2,170	1,709
Printing and stationery	8,411	10,415
Refugee week expenses	12,646	15,813
Seminar and conference expenses	10,565	1,380
Repairs and maintenance	919	1,832
Salaries	326,761	288,186
Subscriptions	1,894	966
Sundry expenses	2,696	2,885
Superannuation contributions	29,949	25,614
Telephone and fax	9,404	9,283
Travel expenses	7,878	11,096
Workers compensation insurance	2,472	2,004
Total Expenses	490,769	450,384
Profit before income tax	27,415	17,892