

# Quakers Australia Committee Report

## Finance Committee

### Membership:

Judy Henderson, Candace Barron, Lee Harradine, Jonathan Benyei (Treasurer)

## Part A – Report

### Progress

The past financial year saw many changes including the transition of accounts from the MYOB to Xero accounting systems, the appointment of new bookkeeping and accountancy services, and hard work by the Finance Committee to maintain QA finances through major challenges including personnel changes and high calls on funds during periods of low cash availability.

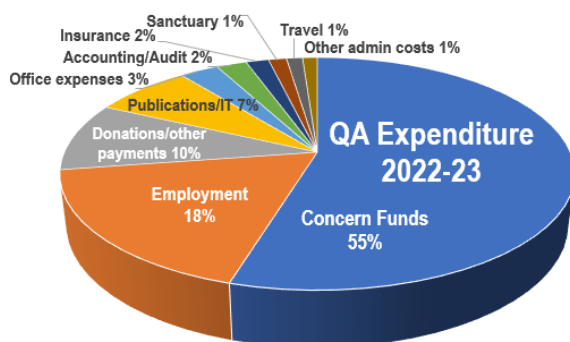
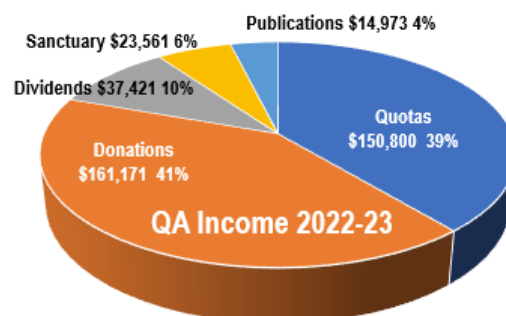
The transition to the new financial year and new financial administration arrangements has progressed smoothly, assisted by the patient handover and tuition from former Treasurers.

- All payments are now handled by the Treasurer, with oversight by the new Finance Committee which meets monthly.
  - A Preparatory session will be held at 12noon on Saturday 20 January 2024 to explain in further detail how Quaker finances operate. In summary there are three elements of QA finance:
    - the QA **General Fund** to pay for day-to-day Quakers Australia operations;
    - QA **Concern funds** for QA Committee work and activities including Children/JYFs, Peace & Social Justice Fund, the Thanksgiving Fund and Quaker Learning Australia; and
    - the QA **Reserve Fund** to ensure that we have sufficient backup to cover our costs;
- Only a relatively small sum of cash (up to \$80,000) has traditionally been kept in the main QA bank account, any surplus being directed to ethical investments and term deposits. Finances for the Yearly Meeting gathering are managed by the YM Organising Committee through a separate bank account.

### Last Financial Year

The 2022-23 QA accounts [see [LINK](#)] were provided by the auditor on 22 December 2023 and show:

- Total **Income** for QA for the year was \$387,926 including \$150,800 from RM quotas and \$161,171 in donations of which \$130,000 was received as a bequest.
- Total **Expenditure** for the year was \$526,090.
- Over half of this expenditure (\$287,282) supported Quaker concerns and committees, including \$244,800 in grants from the Thanksgiving Fund. At the end of the financial year, having expended \$138,164 more than received during the year, \$1.3million still remains in concern funds including over \$1million in the Thanksgiving Fund.



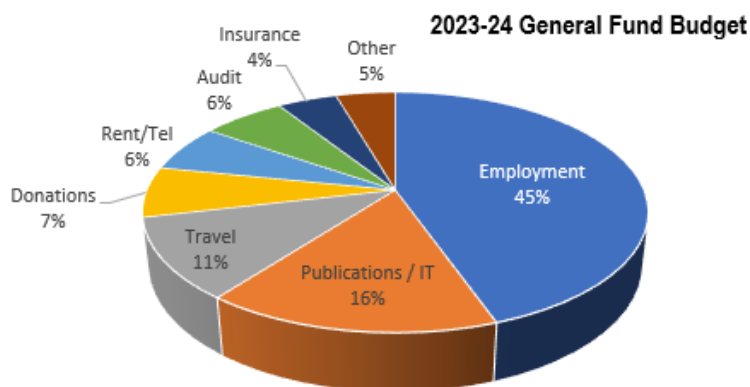
General Fund receipts (mainly from Regional Meetings) accounted for \$154,755 of all income. Expenditure was \$172,406 resulting in a small deficit of \$17,651. A total of \$94,524 was spent on wages and superannuation as we transitioned from a single QA Secretary to separate QA Coordinator and Communications positions. Induction and transition set-up expenses included one-off costs which Standing Committee agreed to offset by supporting an application for up to \$56,000 over 2 years from the Thanksgiving Fund.

- At the end of last financial year our total assets were valued at \$4.285m. This includes 'The Sanctuary' property at Wahroonga (with an increased valuation to \$2.5m) and \$1.587m in investments (which realised a \$65,000 improvement in value).

### This Financial Year

The 2023-24 QA General Fund Budget was agreed by Standing Committee on 16 September 2023 as per Attachment 1.

- We anticipate income of almost \$220,000 in 2023-24 of which around \$160,000 will be from Regional Meeting quotas with up to \$56,000 top-up from the Thanksgiving Fund if required.
- Expenditure this year is also estimated to be \$220,000 of which \$98,000 will be for salaries/super etc; \$35,000 for Publications & IT; \$24,000 for travel; \$15,000 for donations to other Quaker bodies; \$14,000 for office expenses; \$14,000 for accounting & audit fees; around \$10,000 for insurance and \$10,000 for subsidies and other costs.



### Issue - Sustainable funding:

The outgoing Treasurer and Finance Committee foreshadowed a potential need to significantly increase quotas from next year as costs continue to rise and savings accumulated during the pandemic are spent.

- The 2023-24 Budget acknowledged a number of 'unknowns', therefore the new Finance Committee is examining every area of expenditure to help identify possible savings.
- Some costs may be impacted by changing patterns of behaviour, for example less travel than anticipated, more discernment about the quantum of anticipated subsidies, possible return of surplus unspent funds by committees and negotiations to reduce certain fees.
- The finance committee has also commenced a comprehensive review of our investment portfolio. Investment in ethical activity does not mean that we should accept low returns or losses. The Committee is confident that a better return on investments is possible and will work with the existing investment managers to make recommendations by the end of January 2024.

### Expert Working Groups

- We have been encouraged by Quaker processes employed in the discernment of options for *Undirected Donations & Bequests* and the *Future Use of The Sanctuary*. The Finance Committee would welcome the opportunity to meet with these working groups to support discernments to date and explore together what options might be available or necessary in the medium to long term.

### Part B Item for consideration by January Yearly Meeting 2024

1. That this report and the Audited Annual Accounts be accepted (at the AGM)
2. That AH Jackson & Co be reappointed (at the AGM) as Auditors for the 2023-24 financial year
3. That the QA Finance Committee work with the *Undirected Donations & Bequests Working Group* and the *Future Use of The Sanctuary Working Group* to explore how the Finance Committee might assist with options to help sustain funding of Quaker Australia activities in the medium to long term.

## Quaker Australia Administrative Budgets 2020-24

	2020/21	2021/22		2022/2023		2023/2024
	Actual	Actual	OUTGOINGS	Budget	Actual	Budget
Salaries & Services	59,400	58,511	Salaries	62,995	86,712	92,100
	5,720	5,933	Superannuation	6,614	7,812	6,300
	712	803	Workers Compensation	850	865	650
	4,790	6,960	YM Office	20,000	5203	0
	6,300	6,000	Accounting & Audit fees	10,000	11,973	14,500
	<b>76,922</b>	<b>78,207</b>	<b>Ttl Salaries &amp; Services</b>	<b>100,459</b>	<b>112,565</b>	<b>113,550</b>
Office Expenses	1,292	1,692	Office Supplies	8,650	5,690	6,200
	3,404	3,038	Photocopying	0	0	0
	314	580	Postage	0	479	0
	1,642	1,439	Telephone	0	1,035	0
	50	220	Computer	0	0	0
	7,800	7,800	Rent	7,800	9,750	7,800
	<b>14,502</b>	<b>14,770</b>	<b>Ttl Office Expenses</b>	<b>16,450</b>	<b>16,954</b>	<b>14,000</b>
Travel	-100	0	Yearly Meeting Travel	0	0	11,550
	6,000	0	Travel Fund	0	6,334	12,500
	<b>5,900</b>	<b>0</b>	<b>Ttl Travel</b>	<b>0</b>	<b>6,334</b>	<b>24,050</b>
Other Expenses	18,000	23,000	Publications Fund subsidy	17,000	17,000	35,000
	3,000	2,500	Yearly Meeting subsidy	-10,000	-10,000	5,000
	7,581	8,751	Public Liability insurance	13,000	8,928	9,500
	0	0	Officers' expenses	200	0	0
	855	718	Subscriptions	500	650	800
	1,843	1,843	NCCA	1,900	1,935	1,950
	15,000	12,200	Committees' expenses	500	0	0
	40	92	Bank & other charges	0	450	150
	<b>46,319</b>	<b>49,104</b>	<b>Ttl Other Expenses</b>	<b>23,100</b>	<b>19,563</b>	<b>52,400</b>
Donations	1,900	1,900	Silver Wattle	1,900	1,900	1,900
	2,250	2,250	FWCC World	2,250	2,250	2,250
	4,500	4,500	FWCC A/W Pacific	4,500	4,500	4,500
	3,500	3,500	QUNO	3,500	3,500	3,500
	935	0	Woodbrooke	935	1,870	935
	935	0	Pendle Hill	935	1,870	935
	1,100	1,100	Friends Peace Teams	1,100	1,100	1,100
	<b>15,120</b>	<b>13,250</b>	<b>Ttl Donations</b>	<b>15,120</b>	<b>16,990</b>	<b>15,120</b>
	<b>\$158,763</b>	<b>\$155,330</b>	<b>TOTAL OUTGOINGS</b>	<b>\$155,129</b>	<b>\$172,406</b>	<b>\$219,120</b>
INCOME	INCOME					
	153,700	156,000	RM Quotas	150,800	150,800	159,848
	5,529	2,116	Investment Income	3,000	3,955	3,000
	-9,900	-4,837	Other income	1,050	0	56,327
	<b>\$149,330</b>	<b>\$153,279</b>	<b>TOTAL INCOME</b>	<b>\$154,850</b>	<b>\$154,755</b>	<b>\$219,175</b>
	<b>-\$9,434</b>	<b>-\$2,051</b>	<b>Surplus / Deficit</b>	<b>-\$55</b>	<b>-\$17,651</b>	<b>\$55</b>