**Treasurer's report to the Annual General Meeting 2020**

*The highest use of capital is not to make more money, but to make money do more for the betterment of life*. (Henry Ford )

The 2018/19 financial year was more straightforward than the previous couple of years as the AYM Secretary is now settled into an office at her home.

Attached to this report is an extract from the draft Accounts for the year. The Audited Accounts will be available at the AGM and I can send a copy to anyone who is interested.

The principle financial issues were as follows:

1. **Surplus Funds** Following a recommendation from the Finance Committee, Standing Committee in January 2019 agreed that Surplus Funds of $100,000 from our Reserve Fund were not needed and could be distributed for other purposes.

At the July 2019 meeting Standing Committee agreed that $20,000 of this surplus be allocated to the Publications Fund which was then in deficit. The deficit was largely due to spending on the new websites and on two publications in the year which were not allowed for in the budget and had not recouped their costs.

Standing Committee has asked Regional Meetings to consider suggestions for the distribution of the remaining $80,000 of the Surplus Funds.

1. **General Fund** The General Fund shows an excess of income over expenditure of $4,337 in the year. This was due to a number of small savings, offset by slightly higher office expenses.

Standing Committee held a special online meeting at the end of August to finalise the budget for 2019/20 so that more accurate information was available for that purpose. The allocation of $20,000 to the Publications Fund mentioned above meant that there was a much smaller allocation required from the budget for that Fund. However, there was a much larger requirement for the Travel Fund and inflation generally continues to affect our expenditure. The overall Quotas have therefor increased by nearly 4% for the coming year.

1. **Other Funds** The Yearly Meeting in July made a small surplus and the Annual Meeting Fund is now in a good condition.

With the finalisation of the extensive renovations to the Sanctuary the Management Fund has now recovered to over $40,000.

Substantial bequests were received by both the Peace and Social Justice Fund (now over $160,000) and the Thanksgiving Fund (now over $220,000). I encourage Friends to make applications to those Funds for support.

Each year the investment earnings are distributed among the various Funds and over the last 5 years the average rate has been 6% pa.

1. **Assets** The Balance Sheet shows the values of our assets which, aside from the increase in the two Funds mentioned above, are much the same as last year. More detail of the assets is in a separate table. Since the end of the financial year the Finance Committee has agreed to some rearrangement of our investments to reduce the amount held in cash in view of the current low rates of interest.
2. **Carbon offset payments** For the year just ended Yearly Meeting asked us to set aside $1,137 to be sent to Greenfleet.
3. **Membership of the Finance Committee** continues to be David Lowry and David Lowe of QRM and Jane Drexler of NSWRM.

**Part B: for consideration:**

1. Acceptance of this Treasurer’s report and the Annual Accounts, the audited version of which should be available at the AGM.
2. Reappointment of A.H. Jackson & Co. as our Auditors for the 2019/20 financial year.

Roger Sawkins, AYM Treasurer, November 2019

**These summarised Accounts are prior to audit**

**Balance Sheet as at 30 September 2019**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **30/09/2017** | **30/09/2018** |  |  | **30/09/2019** |
| **$.cc** | **$.cc** |  |  | **$.cc** |
|  |  |  | **Assets** |  |
| 199,362.71 | 181,393.88 |  | Current assets | 326,550.01 |
| 58,000.00 | 58,000.00 |  | Other fixed interest | 58,000.00 |
| 609,085.61 | 655,782.74 |  | Shares & Trusts | 627,487.13 |
| 950,000.00 | 1,400,000.00 |  | Property | 1,400,000.00 |
| **1,816,448.32** | **2,295,176.62** |  | **Total Assets** | **2,412,037.14** |
|  |  |  |  |  |
|  |  |  | **Liabilities** |  |
| 31,000.00 | 31,000.00 |  | Loans | 0.00 |
| 7,433.75 | 4,977.74 |  | Due to other Quaker organisations | 5,782.16 |
| 1.52 | 138.49 |  | GST and other liabilities | 404.20 |
| **38,435.27** | **36,116.23** |  | **Total Liabilities** | **6,186.36** |
|  |  |  |  |  |
| **1,778,013.05** | **2,259,060.39** |  | **Net Assets** | **2,405,850.78** |
|  |  |  |  |  |
|  |  |  | **Administration Funds** |  |
| 55,238.23 | 56,565.50 |  | General Fund | 60,902.44 |
| 6,985.07 | -3,252.23 |  | Annual Meeting Fund | 6,061.90 |
| 8,198.58 | 5,303.35 |  | Travel Fund | -529.40 |
| 323,372.19 | 343,051.19 |  | Reserve Fund | 335,259.19 |
| 50,679.13 | 62,843.60 |  | Movement in investment values | 77,301.28 |
| **444,473.20** | **464,511.41** |  |  | **478,995.41** |
|  |  |  | **Other Funds** |  |
| 144,779.72 | 140,455.59 |  | Peace & Social Justice Fund | 162,782.30 |
| 17,442.46 | 17,803.46 |  | Earthcare Fund | 18,977.46 |
| 20,911.97 | 19,792.93 |  | First Nations Concerns Fund | 21,385.85 |
| 62,669.60 | 74,977.60 |  | Thanksgiving - Current | 131,866.87 |
| 92,011.00 | 92,011.00 |  | Thanksgiving - Capital | 92,011.00 |
| 20,710.68 | 25,063.79 |  | Quaker Learning Australia | 29,220.06 |
| 9,335.43 | -11,571.07 |  | Publications Fund | 9,220.87 |
| 6,604.10 | 3,498.29 |  | Friends in Stitches Fund | 4,960.67 |
| 6,031.42 | 11,977.50 |  | Children & JYF Fund | 13,736.96 |
| 500.00 | 500.00 |  | Carbon Offsets Fund | 1,137.00 |
| 950,000.00 | 1,400,000.00 |  | Sanctuary at valuation | 1,400,000.00 |
| 2,543.47 | 20,039.89 |  | Sanctuary Management | 41,556.33 |
| **1,333,539.85** | **1,794,548.98** |  |  | **1,926,855.37** |
|  |  |  |  |  |
| **1,778,013.05** | **2,259,060.39** |  | **Total Equity** | **2,405,850.78** |

**Income and outgo of all Funds for the year ended 30 September 2019**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Amount at** |  |  | **Amount** |
|  | **beginning** | **Income** | **Outgo** | **at end** |
|  | **$.cc** | **$.cc** | **$.cc** | **$.cc** |
| **Administration Funds** |  |  |  |  |
| General Fund | 56,565.50 | 175,225.79 | -170,888.85 | 60,902.44 |
| Annual Meeting Fund | -3,252.23 | 41,848.05 | -32,533.92 | 6,061.90 |
| Travel Fund | 5,303.35 | 7,222.00 | -13,054.75 | -529.40 |
| Reserve Fund | 343,051.19 | -7,792.00 | 0.00 | 335,259.19 |
| Movement in investment values | 62,843.60 | 14,457.68 | 0.00 | 77,301.28 |
|  |  |  |  |  |
|  | **464,511.41** | **230,961.52** | **-216,477.52** | **478,995.41** |
|  |  |  |  |  |
| **Other Funds** |  |  |  |  |
| Peace & Social Justice Fund | 140,455.59 | 44,686.71 | -22,360.00 | 162,782.30 |
| Earthcare Fund | 17,803.46 | 1,474.00 | -300.00 | 18,977.46 |
| First Nations Concerns Fund | 19,792.93 | 6,407.75 | -4,814.83 | 21,385.85 |
| Thanksgiving Fund - Current | 74,977.60 | 64,499.27 | -7,610.00 | 131,866.87 |
| Thanksgiving Fund - Capital | 92,011.00 | 0.00 | 0.00 | 92,011.00 |
| Quaker Learning Australia Fund | 25,063.79 | 15,300.21 | -11,143.94 | 29,220.06 |
| Publications Fund | -11,571.07 | 54,344.96 | -33,553.02 | 9,220.87 |
| Friends in Stitches Fund | 3,498.29 | 1,602.38 | -140.00 | 4,960.67 |
| Children & JYF Fund | 11,977.50 | 20,071.70 | -18,312.24 | 13,736.96 |
| Carbon Offsets Fund | 500.00 | 1,137.00 | -500.00 | 1,137.00 |
| The Sanctuary at valn. 2014 | 1,400,000.00 | 0.00 | 0.00 | 1,400,000.00 |
| Sanctuary Management | 20,039.89 | 27,649.24 | -6,132.80 | 41,556.33 |
|  |  |  |  |  |
|  | **1,794,548.98** | **237,173.22** | **-104,866.83** | **1,926,855.37** |
|  |  |  |  |  |
| **Total Funds** | **2,259,060.39** | **468,134.74** | **-321,344.35** | **2,405,850.78** |
|  |  |  |  |  |
| **Held on behalf of other Quaker organisations** | |  |  |  |
| Quaker Service Australia | 18.00 | 300.00 | -318.00 | 0.00 |
| FWCC Asia/West Pacific | 1,780.00 | 7,298.17 | -7,060.00 | 2,018.17 |
| FWCC World | 1,085.00 | 11,329.01 | -11,235.00 | 1,179.01 |
| FWCC QUNO | 1,575.00 | 2,494.98 | -2,005.00 | 2,064.98 |
| Woodbrooke | 29.74 | 30.00 | -29.74 | 30.00 |
| Pendle Hill | 10.00 | 10.00 | -10.00 | 10.00 |
| Australian Young Friends | 380.00 | 480.00 | -380.00 | 480.00 |
| Silver Wattle | 100.00 | 0.00 | -100.00 | 0.00 |
|  |  |  |  |  |
|  | **4,977.74** | **21,942.16** | **-21,137.74** | **5,782.16** |

**General Fund Account for the year ended 30 September 2019**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Actual** | **Actual** |  |  |  |  |
| **2016/17** | **2017/18** |  | ***Budget*** | **Actual** | ***Budget 2019/20*** |
| **$.cc** | **$.cc** |  | ***$.cc*** | **$.cc** | ***$.cc*** |
|  |  | **Income** |  |  |  |
| 166,800.00 | 170,200.00 | Regional Meeting Quotas | *171,350* | 171,400.00 | *177,650* |
| 3,816.91 | 3,361.71 | Investment Income | *3,000* | 3,825.79 | *3,000* |
| 0.00 | 0.00 | Other |  | 0.00 |  |
| **170,616.91** | **173,561.71** | **Total General Fund Income** | ***174,350*** | **175,225.79** | ***180,650*** |
|  |  |  |  |  |  |
|  |  | **Outgo** |  |  |  |
|  |  | **Salaries and fees** |  |  |  |
| 50,399.28 | 53,013.96 | Secretary's Salary | *56,000* | 54,787.25 | *56,600* |
| 4,787.98 | 5,036.34 | Superannuation | *5,300* | 5,204.76 | *5,400* |
| 572.40 | 711.83 | Workers Compensation | *1,200* | 639.84 | *800* |
| 4,600.00 | 4,800.00 | Auditors fees | *5,000* | 4,897.27 | *5,000* |
| 128.15 | 0.00 | Bookkeeping Fees | *0* | 0.00 | *0* |
| **60,487.81** | **63,562.13** |  | ***67,500*** | **65,529.12** | ***67,800*** |
|  |  | **Office Expenses** |  |  |  |
| 1,666.22 | 1,965.41 | Office Supplies/Materials | *9,000* | 727.42 | *9,500* |
| 6,274.83 | 3,092.47 | Printing and photocopying |  | 5,198.95 |  |
| 190.03 | 322.72 | Postage |  | 770.82 |  |
| 1,068.72 | 1,274.04 | Telephone |  | 1,407.60 |  |
| 469.00 | 5,410.22 | Computer |  | 2,052.05 |  |
| 0.00 | 203.08 | Internet |  | 0.00 |  |
| 8,800.00 | 8,400.00 | Rent | *7,800* | 7,800.00 | *7,800* |
| **18,468.80** | **20,667.94** |  | ***16,800*** | **17,956.84** | ***17,300*** |
|  |  | **Travel** |  |  |  |
| 7,700.00 | 7,300.00 | Yearly Meeting Travel | *9,000* | 9,000.00 | *6,600* |
| 3,000.00 | 3,000.00 | Young Friends allocation | *0* | 0.00 | *0* |
| 22,000.00 | 8,000.00 | Travel Fund | *8,000* | 8,000.00 | *18,000* |
| **32,700.00** | **18,300.00** |  | ***17,000*** | **17,000.00** | ***24,600*** |
|  |  | **Other expenses** |  |  |  |
| 16,000.00 | 17,000.00 | Publications Fund subsidy | *18,000* | 18,000.00 | *12,000* |
| 12,000.00 | 4,000.00 | Yearly Meeting subsidy | *4,000* | 4,000.00 | *7,000* |
| 11,904.47 | 12,227.76 | P/L Insurance | *13,000* | 13,081.78 | *14,000* |
|  |  | Officer expenses | *500* | 0.00 | *500* |
| 362.61 | 250.00 | Subscriptions | *350* | 633.67 | *500* |
| 1,690.00 | 1,843.00 | National Council of Churches | *1,900* | 1,843.00 | *1,900* |
| 6,167.45 | 20,933.91 | Committee expenses | *21,500* | 19,426.98 | *21,500* |
| 856.98 | 49.70 | Bank & other charges | *400* | 17.46 | *150* |
| **48,981.51** | **56,304.37** |  | ***59,650*** | **57,002.89** | ***57,550*** |
|  |  | **Donations** |  |  |  |
| 1,500 | 1,700.00 | Silver Wattle | *1,700* | 1,700.00 | *1,700* |
| 1,750 | 2,000.00 | FWCC World | *2,000* | 2,000.00 | *2,000* |
| 3,500 | 4,000.00 | FWCC A/W Pacific | *4,000* | 4,000.00 | *4,000* |
| 2,500 | 3,000.00 | QUNO | *3,000* | 3,000.00 | *3,000* |
| 750 | 850.00 | Woodbrooke | *850* | 850.00 | *850* |
| 750 | 850.00 | Pendle Hill | *850* | 850.00 | *850* |
| 1,000 | 1,000.00 | Friends Peace Teams | *1,000* | 1,000.00 | *1,000* |
| **11,750.00** | **13,400.00** |  | ***13,400*** | **13,400.00** | ***13,400*** |
|  |  |  |  |  |  |
| **172,388.12** | **172,234.44** | **Total General Fund outgo** | ***174,350*** | **170,888.85** | ***180,650*** |
|  |  |  |  |  |  |
| **-1,771.21** | **1,327.27** | **Excess of Income over Outgo** | ***0*** | **4,336.94** | ***0*** |
| **57,009.44** | **55,238.23** | **Balance at beginning of year** |  | **56,565.50** | ***60,902*** |
| **55,238.23** | **56,565.50** | **Balance at end of year** |  | **60,902.44** | ***60,902*** |

**Assets as at 30 September 2019**

|  |  |  |
| --- | --- | --- |
|  |  | $.cc |
| Bank accounts | (1) | 183,907.43 |
| Term deposits | (2) | 142,642.58 |
| Loan to Friends School |  | 58,000.00 |
| Kangaroo Valley Shares (at cost) |  | 900.00 |
| Aust Ethical Investments Trusts | (3) | 319,131.33 |
| Praemium investment portfolio | (4) | 76,803.38 |
| Preference Shares | (5) | 230,652.42 |
| The Sanctuary @ Valuation in 2018 |  | 1,400,000.00 |
| **Total Assets** |  | **$2,412,037.14** |
|  |  |  |
| **Liabilities** |  |  |
| Interest-free loans from Friends |  | $0.00 |
| Due to other Quaker organisations |  | $5,782.16 |
| Amounts due to/from others |  | $404.20 |
| **Total Liabilities** |  | **$6,186.36** |
|  |  |  |
| **Net Assets** |  | **$2,405,850.78** |

Notes:

(1) The bank accounts earn interest on the balances

(2) All term deposits mature within 12 months.

(3) Australian Ethical Investments are in their "Balanced" and "Small companies" trusts

(4) Praemium is a portfolio of ordinary shares in ethical companies.

(5) A portfolio of preference shares in ethical companies.

(3) to (5) are at market value at 30 September 2019.