**Treasurer's report to the Annual General Meeting 2021**

*The guiding principle which Friends should keep in mind making an income, whether by work or by investment, should be the good of others and of the community at large, and not simply of themselves or their own family*. (London YM 1910)

The Covid 19 virus continues to transform the financial world and make uncertainty the ‘new normal’.

Remarkably, AYM finances did not suffer unduly in 2019/20. This was mainly because our income from Regional Meetings was secure and unaffected and our expenditure was reduced by having a ‘virtual’ Yearly Meeting and the cessation of travel. Whilst our investments have suffered a little it is not of great significance at this stage.

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. **General Fund** The General Fund shows an excess of income over expenditure of $19,906 in the year. Most of this was a Covid 19 support grant from the Federal Government of $15,000. We received this automatically because we are registered for the GST as well as having an employee. Standing Committee in September 2020 agreed that this amount be passed on to Regional Meetings in the 2020/21 financial year as they are more in need of financial support than AYM. We have received a further $5,000 from the Federal Government in October.

The remainder of the General Fund surplus was the result of a reduction in office expenses, principally because Standing Committee and Yearly Meeting were held online and so required less photocopying and other expenses. Standing Committee in September agreed that the balance of the 2019/20 surplus of $5,000 should be carried forward to offset some of the budget costs for 2020/21. Hence the budget for 2020/21 shows a deficit of $20,000 - $15,000 of Covid support and $5,000 carry-forward.

At the end of the Financial Year we received the renewal notice from Ansvar for our Public Liability insurance. After several years of increases this showed a reduction of over 25% in the coming year. This has helped reduce the 2020/21 budget and Regional Meeting Quotas.

Another change in the next financial year is Standing Committee’s agreement that we employ Emily Chapman-Searle as a part time consultant to assist the AYM Secretary with our social media presence and other outreach. An amount of $7,000 has been included in the 2020/21 budget for this role.

Following a request from the FWCC Committee, Standing Committee also agreed to an increase of around 10% in our donations in the coming year to overseas Quaker bodies.

1. **Assets** The Balance Sheet shows that the total of our assets increased over the year, principally because of the Covid 19 grant and other factors mentioned above. These were offset partly by the low interest rates and a small reduction in the market values of our listed investments. More detail of the assets is in a separate table.

The actual values of our assets are not important unless we need to sell them and that is not likely in the foreseeable future.

I had some discussions during the year with the Kangaroo Valley Friends Properties Pty. Ltd. directors and some of the other shareholders. As a result our Auditor recommended that our holding of shares in the company be revalued, and a current value of $30,915 is now included in our Accounts.

1. **National Redress Scheme** AYM and a number of our associated bodies jointly joined the National Redress Scheme in the year. There were some administrative costs which were paid from the Reserve Fund. We have been advised that we are liable for a reimbursement of around $50,000 under the Scheme which will be payable shortly. We have sufficient cash and reserves for this purpose. We are not aware of any further matters under the Scheme at present.
2. **Cash flow** AYM is dependent on Quota payments (usually quarterly) by Regional Meetings and all were paid on time in the last financial year. The required Quotas for the coming financial year will be less than last year and Regional Meetings have not expressed any concern at this stage about fulfilling their financial obligations to AYM. With an online Annual Meeting in 2021 requiring little finance and continuing reduced travel I don’t anticipate any problems in the coming year.
3. **Other Funds** With the finalisation of the extensive renovations to the Sanctuary the Management Fund has now recovered to over $60,000. I understand the Committee is looking at significant expenditure on bush regeneration at the property.

The Peace and Social Justice and Thanksgiving Funds have significant amounts of money available for grants. I encourage Friends to make applications to them. I have raised with the Quaker Learning Australia Committee the fact that they have a large amount in their Fund which they may find useful.

Each year the investment earnings are distributed among the various Funds and over the last 5 years the average rate has been 5.7% pa.

1. **Carbon offset payments** For the year just ended we set aside $1,125 to be sent to Greenfleet to cover carbon credits for our air travel.
2. **Auditor** I have checked with our Auditor of 15 years, Leo Manicaros of AH Jackson & Co in Brisbane that he is willing to continue in the role.
3. **Membership of the Finance Committee** continues to be David Lowry and David Lowe of QRM and Jane Drexler of NSWRM.

As I write this report I am in the process of handing over the AYM Treasurer job to Jane after 15 years. I would like to take this opportunity to thank my Committee, the various AYM Secretaries and Presiding Clerks over that period and the many other Friends who have been involved in the finances.

**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 2020/21 financial year.

Roger Sawkins, AYM Treasurer, November 2020

**These summarised Accounts are prior to audit**

**Balance Sheet as at 30 September 2020**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **30/9/2018** | **30/9/2019** |  |  | **30/9/2020** |
| **$.cc** | **$.cc** |  |  | **$.cc** |
|  |  |  | **Assets** |  |
| 181,393.88 | 326,550.01 |  | Current assets | 257,677.34 |
| 58,000.00 | 58,000.00 |  | Other fixed interest | 58,000.00 |
| 655,782.74 | 627,487.13 |  | Shares & Trusts | 733,428.04 |
| 1,400,000.00 | 1,400,000.00 |  | Property | 1,400,000.00 |
| **2,295,176.62** | **2,412,037.14** |  | **Total Assets** | **2,449,105.38** |
|  |  |  |  |  |
|  |  |  | **Liabilities** |  |
| 31,000.00 | 0.00 |  | Loans | 0.00 |
| 4,977.74 | 5,782.16 |  | Due to other Quaker org. | 8,250.80 |
| 138.49 | 404.20 |  | GST and other liabilities | 0.03 |
| **36,116.23** | **6,186.36** |  | **Total Liabilities** | **8,250.83** |
|  |  |  |  |  |
| **2,259,060.39** | **2,405,850.78** |  | **Net Assets** |  |
|  |  |  |  |  |
|  |  |  | **Administration Funds** |  |
| 56,565.50 | 60,902.44 |  | General Fund | 80,808.45 |
| -3,252.23 | 6,061.90 |  | Annual Meeting Fund | 11,976.71 |
| 5,303.35 | -529.40 |  | Travel Fund | 9,071.44 |
| 343,051.19 | 335,259.19 |  | Reserve Fund | 344,469.69 |
| 62,843.60 | 77,301.28 |  | Movement in investment values | 81,999.09 |
| **464,511.41** | **478,995.41** |  |  | **528,325.38** |
|  |  |  | **Other Funds** |  |
| 140,455.59 | 162,782.30 |  | Peace & Social Justice Fund | 173,063.40 |
| 17,803.46 | 18,977.46 |  | Earthcare Fund | 19,314.46 |
| 19,792.93 | 21,385.85 |  | First Nations Concerns Fund | 14,734.83 |
| 74,977.60 | 131,866.87 |  | Thanksgiving - Current | 79,757.47 |
| 92,011.00 | 92,011.00 |  | Thanksgiving - Capital | 92,011.00 |
| 25,063.79 | 29,220.06 |  | Quaker Learning Australia | 37,517.37 |
| -11,571.07 | 9,220.87 |  | Publications Fund | 4,910.08 |
| 3,498.29 | 4,960.67 |  | Friends in Stitches Fund | 5,321.28 |
| 11,977.50 | 13,736.96 |  | Children & JYF Fund | 20,417.16 |
| 500.00 | 1,137.00 |  | Carbon Offsets Fund | 1,125.00 |
| 1,400,000.00 | 1,400,000.00 |  | Sanctuary at valuation | 1,400,000.00 |
| 20,039.89 | 41,556.33 |  | Sanctuary Management | 64,357.12 |
| **1,794,548.98** | **1,926,855.37** |  |  | **1,912,529.17** |
|  |  |  |  |  |
| **2,259,060.39** | **2,405,850.78** |  | **Total Equity** | **2,440,854.55** |

**Income and outgo of all Funds for the year ended 30 September 2020**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Amount at** |  |  | **Amount** |
|  | **beginning** | **Income** | **Outgo** | **at end** |
|  | **$.cc** | **$.cc** | **$.cc** | **$.cc** |
| **Administration Funds** |  |  |  |  |
| General Fund | 60,902.44 | 195,265.62 | -175,359.61 | 80,808.45 |
| Annual Meeting Fund | 6,061.90 | 7,000.00 | -1,085.19 | 11,976.71 |
| Travel Fund | -529.40 | 18,000.00 | -8,399.16 | 9,071.44 |
| Reserve Fund | 335,259.19 | 14,795.00 | -5,584.50 | 344,469.69 |
| Movement in investment values | 77,301.28 | 30,015.00 | -25,317.19 | 81,999.09 |
|  |  |  |  |  |
|  | **478,995.41** | **265,075.62** | **-215,745.65** | **528,325.38** |
|  |  |  |  |  |
| **Other Funds** |  |  |  |  |
| Peace & Social Justice Fund | 162,782.30 | 10,281.10 | 0.00 | 173,063.40 |
| Earthcare Fund | 18,977.46 | 1,237.00 | -900.00 | 19,314.46 |
| First Nations Concerns Fund | 21,385.85 | 4,338.98 | -10,990.00 | 14,734.83 |
| Thanksgiving Fund - Current | 131,866.87 | 17,302.00 | -69,411.40 | 79,757.47 |
| Thanksgiving Fund - Capital | 92,011.00 | 0.00 | 0.00 | 92,011.00 |
| Quaker Learning Australia Fund | 29,220.06 | 9,014.00 | -716.69 | 37,517.37 |
| Publications Fund | 9,220.87 | 15,396.93 | -19,707.72 | 4,910.08 |
| Friends in Stitches Fund | 4,960.67 | 987.18 | -626.57 | 5,321.28 |
| Children & JYF Fund | 13,736.96 | 21,888.02 | -15,207.82 | 20,417.16 |
| Carbon Offsets Fund | 1,137.00 | 1,125.00 | -1,137.00 | 1,125.00 |
| The Sanctuary at valn. 2014 | 1,400,000.00 | 0.00 | 0.00 | 1,400,000.00 |
| Sanctuary Management | 41,556.33 | 29,928.77 | -7,127.98 | 64,357.12 |
|  |  |  |  |  |
|  | **1,926,855.37** | **111,498.98** | **-125,825.18** | **1,912,529.17** |
|  |  |  |  |  |
| **Total Funds** | **2,405,850.78** | **376,574.60** | **-341,570.83** | **2,440,854.55** |
|  |  |  |  |  |
| **Held on behalf of other Quaker organisations** |  |  |  |
| FWCC Asia/West Pacific | 2,018.17 | 2,835.40 | -2,018.18 | 2,835.39 |
| FWCC World | 1,179.01 | 1,832.00 | -1,179.00 | 1,832.01 |
| FWCC QUNO | 2,064.98 | 2,190.40 | -2,064.98 | 2,190.40 |
| Woodbrooke | 30.00 | 120.00 | -30.00 | 120.00 |
| Pendle Hill | 10.00 | 110.00 | -10.00 | 110.00 |
| Australian Young Friends | 480.00 | 550.00 | -477.00 | 553.00 |
| Friends Fellowship of Healing | 0.00 | 50.00 | 0.00 | 50.00 |
| Friends Peace Teams | 0.00 | 560.00 | 0.00 | 560.00 |
|  | **5,782.16** | **78,247.80** | **-5,779.16** | **8,250.80** |

**General Fund Account for the year ended 30 September 2020**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Actual** | **Actual** |  |  |  |  |
| **2017/18** | **2018/19** |  | ***Budget*** | **Actual** | ***Budget 2020/21*** |
| **$.cc** | **$.cc** | **Income** | ***$.cc*** | **$.cc** | ***$.cc*** |
|  |  |  |  |  |  |
| 170,200.00 | 171,400.00 | Regional Meeting Quotas | *177,650* | 177,600.00 | *153,620* |
| 3,361.71 | 3,825.79 | Investment Income | *3,000* | 2,665.62 | *3,000* |
| 0.00 | 0.00 | Other |  | 15,000.00 | *-15,000* |
| **173,561.71** | **175,225.79** | **Total General Fund Income** | ***180,650*** | **195,265.62** | ***141,620*** |
|  |  |  |  |  |  |
|  |  | **Outgo** |  |  |  |
|  |  | **Salaries and fees** |  |  |  |
| 53,013.96 | 54,787.25 | Secretary's Salary | *56,600* | 56,129.00 | *57,850* |
| 5,036.34 | 5,204.76 | Superannuation | *5,400* | 5,332.24 | *5,500* |
| 711.83 | 639.84 | Workers Compensation | *800* | 728.13 | *750* |
|  |  | Auditors fees |  |  | *7,000* |
| 4,800.00 | 4,897.27 | Bookkeeping Fees | *5,000* | 4,900.00 | *5,000* |
| **63,562.13** | **65,529.12** |  | ***67,800*** | **67,089.37** | ***76,100*** |
|  |  | **Office Expenses** |  |  |  |
| 1,965.41 | 727.42 | Office Supplies/Materials | *9,500* | 1,242.16 | *7,500* |
| 3,092.47 | 5,198.95 | Printing and photocopying |  | 3,614.62 |  |
| 322.72 | 770.82 | Postage |  | 94.67 |  |
| 1,274.04 | 1,407.60 | Telephone |  | 1,821.80 |  |
| 5,410.22 | 2,052.05 | Computer |  | 195.15 |  |
| 203.08 | 0.00 | Internet |  | 0.00 |  |
| 8,400.00 | 7,800.00 | Rent | *7,800* | 7,800.00 | *7,800* |
| **20,667.94** | **17,956.84** |  | ***17,300*** | **14,768.40** | ***15,300*** |
|  |  | **Travel** |  |  |  |
| 7,300.00 | 9,000.00 | Yearly Meeting Travel | *6,600* | 6,600.00 | *-100* |
| 3,000.00 | 0.00 | Young Friends allocation | *0* | 0.00 | *0* |
| 8,000.00 | 8,000.00 | Travel Fund | *18,000* | 18,000.00 | *6,000* |
| **18,300.00** | **17,000.00** |  | ***24,600*** | **24,600.00** | ***5,900*** |
|  |  | **Other expenses** |  |  |  |
| 17,000.00 | 18,000.00 | Publications Fund subsidy | *12,000* | 12,000.00 | *18,000* |
| 4,000.00 | 4,000.00 | Yearly Meeting subsidy | *7,000* | 7,000.00 | *3,000* |
| 12,227.76 | 13,081.78 | P/L Insurance | *14,000* | 13,517.44 | *10,000* |
|  | 0.00 | Officer expenses | *500* | 0.00 | *250* |
| 250.00 | 633.67 | Subscriptions | *500* | 541.40 | *500* |
| 1,843.00 | 1,843.00 | National Council of Churches | *1,900* | 1,843.00 | *1,900* |
| 20,933.91 | 19,426.98 | Committee expenses | *21,500* | 20,555.00 | *15,500* |
| 49.70 | 17.46 | Bank & other charges | *150* | 45.00 | *50* |
| **56,304.37** | **57,002.89** |  | ***57,550*** | **55,501.84** | ***49,200*** |
|  |  | **Donations** |  |  |  |
| 1,700.00 | 1,700.00 | Silver Wattle | *1,700* | 1,700.00 | *1,900* |
| 2,000.00 | 2,000.00 | FWCC World | *2,000* | 2,000.00 | *2,250* |
| 4,000.00 | 4,000.00 | FWCC A/W Pacific | *4,000* | 4,000.00 | *4,500* |
| 3,000.00 | 3,000.00 | QUNO | *3,000* | 3,000.00 | *3,500* |
| 850.00 | 850.00 | Woodbrooke | *850* | 850.00 | *935* |
| 850.00 | 850.00 | Pendle Hill | *850* | 850.00 | *935* |
| 1,000.00 | 1,000.00 | Friends Peace Teams | *1,000* | 1,000.00 | *1,100* |
| **13,400.00** | **13,400.00** |  | ***13,400*** | **13,400.00** | ***15,120*** |
|  |  |  |  |  |  |
| **172,234.44** | **170,888.85** | **Total General Fund outgo** | ***180,650*** | **175,359.61** | ***161,620*** |
| **1,327.27** | **4,336.94** | **Excess of Income over Outgo** | ***0*** | **19,906.01** | ***-20,000*** |
| **55,238.23** | **56,565.50** | **Balance at beginning of year** |  | **60902.44** | ***80,808*** |
| **56,565.50** | **60,902.44** | **Balance at end of year** |  | **80808.45** | ***60,808*** |

"Other income" is the Federal Government Covid 19 assistance which is being transferred to Regional Meetings in 2020/21 - The budget deficit in 2020/21 is a return of the surplus in 2019/20

**Assets as at 30 September 2020**

|  |  |  |
| --- | --- | --- |
|  |  | $.cc |
| Bank accounts | (1) | 116,657.34 |
| Term deposits | (2) | 141,020.00 |
| Loan to Friends School |   | 58,000.00 |
| Kangaroo Valley Shares (at cost) | (3) | 30,915.00 |
| Aust Ethical Investments Trusts | (4) | 321,556.60 |
| Praemium investment portfolio | (5) | 79,519.39 |
| Preference Shares | (6) | 301,437.05 |
| The Sanctuary @ Valuation in 2018 |   | 1,400,000.00 |
| **Total Assets** |  | **$2,449,105.38** |
|   |   |  |
| **Liabilities** |  |  |
| Due to other Quaker organisations |   | $8,250.80  |
| Amounts due to/from others |   | $0.03  |
| **Total Liabilities** |  | **$8,250.83**  |
|   |   |  |
| **Net Assets** |  | **$2,440,854.55** |

Notes:

(1) The bank accounts earn interest on the balances

(2) All term deposits mature within 12 months.

(3) Kangaroo Valley shares are at the agreed valuation at September 2020.

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

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

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

(4) to (6) are at market value at 30 September 2020.