

Islamic Relief Australia
Annual Report 2012



WELCOME

ANNUAL REPORT 2012

Islamic Relief Australia

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Total Donations

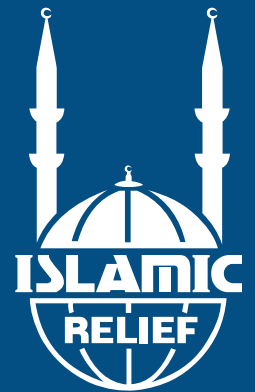
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ISLAMIC RELIEF AUSTRALIA



AUSTRALIA

Islamic Relief provides support regardless of religion, ethnicity or gender and without expecting anything in return.

Islamic Relief Australia is part of the worldwide Islamic Relief family: a humanitarian relief and international development charity founded in 1984 in the UK. It is now the world's largest Muslim charity, helping 15.8 million people last year through its offices on every continent. Islamic Relief Australia which established its office in Australia two years ago has gained ACFID accreditation and is working with the Australian community and the Islamic Relief worldwide family to work to eradicate poverty and relief suffering caused by natural and man-made disasters.

Islamic Relief Australia has supported emergency projects for Syrian refugees in Iraq, Lebanon, Egypt, Turkey, Jordan and inside Syria itself providing medical support, food, water, clothing, household utensils and shelter. We also supported emergency projects for Libyan refugees and provided emergency medical support for hospitals in Gaza.

We have supported livelihood projects for poor fishermen in Indonesia and established a centre for children for special needs in Cairo Egypt. We are supporting orphans in 22 countries to enable them to get an education and provide their families with basic necessities. We provided one month's food supply to poor and vulnerable families all over the world in the month of Ramadan and meat to poor and marginalized families on the Eidul Adha festival.

Values

- Sincerity (Ikhlas)
- Excellence (Ihsan)
- Compassion (Rahma)
- Social Justice (Adl)
- Custodianship (Amana)

What we do

We are dedicated to alleviating the suffering of the world's poorest people by

- Responding to emergencies
- Caring for orphans and children in need
- Support education
- Provide access to healthcare and water
- Promote sustainable livelihoods
- Campaigning and advocacy on humanitarian issues.

Islamic Relief's vision is of a caring world where the basic requirements of people in need are fulfilled.

MISSION STATEMENT



Our mission is to mobilise resources, build partnerships and develop local capacity. We help communities to become more resilient to disasters, and provide vital aid when the worst happens. We promote sustainable livelihoods through integrated development and environmental custodianship. We also tackle the root causes of poverty, making sure the world's most vulnerable people have real influence.

We do this regardless of race, political affiliation, gender or belief, and without expecting anything in return.

Strategy

Our strategy for 2011-15 includes:

- Understanding the threats to our world, and preparing people for them.
- Addressing the underlying causes of poverty through our programmes and policies.
- Developing a deeper faith-based framework for humanitarianism and development, that offers leadership and guidance on issues affecting the world.

Who we work with

We engage with governments, the UN, fellow NGOs, and most importantly local communities and other partners who help us tackle poverty, suffering, and social injustice on the ground.

We work hard to make the biggest impact possible, and achieve real value and maximum impact with the funds entrusted to us.

Our credibility and commitment to rigorous standards is represented in that we are a signatory to the Code of Conduct for the International Red Cross and Red Crescent Movements and NGOs in Disaster Relief. We are also a member of Bond (a UK membership body for NGOs working in international development) and a signatory to the Bond Statement of Principles.

Islamic Relief's approach is a rights-based approach inspired by the Qur'anic principle:

“And those in whose wealth is a recognised right; for the needy who asks and those who are deprived”

Qur'an 70:24-25



ACFID
MEMBER

CODE OF CONDUCT SUMMARY

Islamic Relief Australia is a signatory to the Australian Council for International Development (ACFID) Code of Conduct.

The Australian Council for International Development (ACFID) is the peak council of Australian non-government organisations which aim to promote conditions of sustainable human development in which people are able to enjoy a full range of human rights, fulfil their needs free from poverty, and live in dignity.

A key purpose of ACFID is to equip and encourage members to observe the highest ethical standards in all their activities, including strict observance of the ACFID Code of Conduct ('the Code').

The Code is a voluntary, self-regulatory sector code of good practice that aims to improve international development outcomes and increase stakeholder trust by enhancing the transparency and accountability of signatory organisations. It was developed in 1997 and comprehensively revised in 2010.

All ACFID members are signatories to the Code.

A Code of Conduct Committee monitors adherence to the Code and investigates complaints, which may be brought by any member of the public.

Development of policies and procedures to comply with the Code will be appropriate to the size and complexity of the organisation and the extent of their operations.

Our summary financial reports have been audited and comply with the standards set out by ACFID Code of Conduct which can be referred to on the ACFID Code of Conduct website if further information is needed

Islamic Relief Australia's voluntary adherence to the Code of Conduct demonstrates our commitment to ethical practice and public accountability.

Further information of the ACFID Code of Conduct can be obtained from Islamic Relief Australia and from:

ACFID website: acfid.asn.au
Email: acfid@acfid.asn.au





Foreword

2012 saw Islamic Relief Australia thrust into the thick of the action with its work for Syrian refugees, the Somali famine, Libyan refugees and the emergency in Gaza. We took the initiative to invite our donors and civil society leaders including religious scholars to visit Gaza, Egypt and the Syrian refugees in Jordan, so they could see at first hand the impact of Islamic Relief work on the ground.

In order to better connect with communities we opened our office in Melbourne.

Our international programs team visited our livelihood project, which is enhancing the income of poor fishermen in Indonesia and established a centre for children for special needs in Cairo Egypt.

Our seasonal programs during Ramadan and Qurban have covered more than 20 countries and aiming to reach 30 in 2013.

Donations doubled in 2012 from what was received in 2011, but still not fulfilling the needs. There are millions of people around the globe who are not enjoying basic life needs; drinkable water, some food on the table at the end of the day, shelter to protect them from heat or cold, electricity, fuel, or warm clothes to avoid freezing to death in the harsh winter, medical treatment, schooling and even not getting their basic human rights.

The Australian community showed remarkable generosity and sympathy to these people and they keep doing that.

Being in the establishment phase, we are still depending on our mother body Islamic Relief Worldwide to implement our projects overseas and to keep an overall admin cost below 10%.

To conclude, I would like to express my deepest thanks to all Islamic Relief stakeholders who have together enabled Islamic Relief Australia to establish itself and carry out its noble mission of serving those in need all over the world. We are grateful to ACFID for their support and guidance. Our donors have been extraordinarily generous and our volunteers have been absolutely marvellous in dedicating their time and energy to enable Islamic Relief Australia to raise funds to provide real help to some of the world's most vulnerable people. I would like to thank our Trustees for their dedication and to Islamic Relief Worldwide for their continuous support and finally to the Islamic Relief Australian team for their commitment at all hours of the day and night.

A handwritten signature in black ink, appearing to read 'Muaz Al Haj', is written over a horizontal line.

Muaz Al Haj
CEO



PROJECT REPORT

DEVELOPMENT PROGRAMMES

Egyptian Australian Early Intervention and Rehabilitation
Centre for Children with Special Needs
Sustainable Sea Fisheries Project (Grouper Marine
Culture)

ORPHANS & CHILD WELFARE PROGRAMMES

Orphan Sponsorship

EMERGENCY PROGRAMMES

Emergency Food Assistance to Internally Displaced People
(IDPs) in Somalia
Assistance to Syrian Refugees
Supporting Syrian Field Hospital with Medical Bags
Hygiene Libyan IDP Camps
Medical support for hospitals in Gaza

DEVELOPMENT PROGRAMMES

Feed the Fasting
Qurban



EGYPTIAN AUSTRALIAN EARLY INTERVENTION AND REHABILITATION CENTRE

Egyptian Australian Early Intervention and Rehabilitation Centre

The \$1.7 million Egyptian Australian Early Intervention and Rehabilitation Centre for Children with Special Needs in Cairo is a multi-disciplinary centre for disabled children which works on developing the social, linguistic, cognitive, motor, and behavioural skills of children with special needs from birth till the age of eight.

In responding to the increasing and diverse needs in the field of child disability in the area of Helwan and the surrounding area it has, since its inception, served more than 2,000 children but has a waiting list of 1,337.

The project supports the rehabilitation of disabled children; enabling them to overcome barriers to education, live independently and become integrated in the community. Disabled children are one of the most excluded groups in Egyptian society, are stigmatised and face discrimination. Many parents fear disclosing the condition of their children, even to family and friends, and mentally challenged children are likely to be isolated, neglected, abused, or hidden away.



This leads to further exclusion and deterioration of the disabled child's physical and mental condition. Parents and society generally have low expectations of what a disabled child could achieve, ignoring the child's abilities, potential, and how he/she fits into the wider community as the focus is on the limitations imposed by the disability. There is also limited recognition that rehabilitation and early intervention programmes can help improve the condition of these children and provide better health outcomes. Although early intervention is crucial, parents who have disabled children struggle to access the basic services they need to support their children. Education, arts, sports and leisure providers do not make these services accessible for this group of children.

SUSTAINABLE SEA FISHERIES PROJECTS

Sustainable Sea Fisheries Projects

To increase the income of poor fishermen in the remote islands of Simeulue and Pulau Banyak, Islamic Relief is implementing a GBP 238,253 project as a continuation of a USD\$ 5 million Multi Donor Fund (MDF) financed project to assist the recovery of Aceh after the disastrous 2004 Boxing Day tsunami.

Among the achievements of the initial project was the construction of a landing a jetty, the provision of 45 floating fish culture platforms, upgrading the government hatchery and ice factory, the supply of 120 fish aggregating devices, the repair of boats and nets as well as the provision of training for fishermen.

Through this project the fishermen and their families will be able to achieve an income which can take them out of poverty and provide a prosperous future for them and their families.

The Islamic Relief continuation of this project will enable the fishing community to gain the full benefit from the facilities provided by the MDF financed project. Islamic Relief will ensure the provision of technical assistance, new nets, an adequate supply of fingerlings, adequate and reasonably priced food for the cultured fish as well as the development of stable markets.

In order to ensure the achievement of the objectives and sustainability, Islamic Relief is assisting the fishermen to form a cooperative which will work to ensure proper marketing with a good price so the fishermen are not dependent on middlemen as well as collaborating with the government agencies to ensure a supply of fingerlings from the government hatchery.





ORPHAN SPONSORSHIP PROGRAMME

Orphan Sponsorship Programme

There are around 146 million orphans in the world, mainly due to conflict, natural disaster, HIV/AIDS or poverty. Islamic Relief's support for the education of over 32,000 orphan children in 23 countries is an essential investment in their future and the future of their country. It is one of our most important programmes.

Through this support the orphans can continue or resume going to school which offers the chance of a more successful life free from poverty.

The hearts of small children are delicate organs. A cruel beginning in this world can so hurt a child so that its heart shrinks and forever afterward it is hard and pitted as the seed of a peach. Islamic Relief's orphan's programme enables children to stay with their family so they can receive the unconditional love they need.

Islamic Relief's programme is helping to build the next generation of teachers, entrepreneurs and leaders







EMERGENCY PROGRAMME

Emergency Food
Assistance to Internally
Displaced People in
Somalia

In February 2012, IR Australia provided emergency food support to families in the Ali Haidh IDP camp Awdal in close collaboration with food committees representing the community. This distribution helped to save lives of families affected by yet another devastating drought which had affected the Awdal region of Somaliland.

Assistance to
Syrian Refugees

IR Australia was able to contribute to Islamic Relief's efforts to assist those displaced by the ongoing Syrian crisis in Iraq, Turkey, Jordan, and inside Syria. In 2012 Islamic Relief's assistance of £10.2 million in food security and nutrition, shelter and non-food items, health and WASH (water, sanitation and hygiene) reached over one million people. As at the end of 2012 there were 1.2 million IDPs in the country and almost a million in other countries like Jordan, Turkey, Lebanon, Iraq and even Egypt.



West Iraq

In July, Islamic Relief Australia provided emergency assistance to Syrian refugees in the west of Iraq who fled to Qa'em and took refuge in public buildings. Islamic Relief provided drinking water, food parcels and hygiene packs to the first wave of these refugees totalling 650 families (about 3,250 people) pending a more durable solution.

IR worked with other partners such as the UNHCR and other agencies. While distributing the aid IR carried out a registration exercise so the refugees could access other support after the initial support given Islamic Relief.

Turkey

In September IR Australia implemented an emergency project to support internally displaced Syrians and Syrian refugees at the Atma and Qah camps on the Turkish-Syrian borders providing 3,780 refugee families with 25 kg flour each as it is a basic food item as well as 3,000 single blankets, 2,000 double blankets and 2,000 mattresses in preparation for winter.

Supporting Field Hospital with Medical Bags

The need for Medical items and disposables is very high inside Syria due to the deadly confrontations between the fighting parties and attacks on civilians which has resulted in tens of thousands of people who have lost limbs or have suffered serious. Through this project Islamic Relief supported field hospitals with medical bags needed urgently to enable life-saving treatment of injured people inside Syria.

The medical items supplied were used in the neediest areas reaching almost two thousand people. The project supplied

- 25 advanced medical bags which provided the supplies to enable a doctor to save the lives of 5 critically-injured patients.
- 170 intermediate medical bags which provide the medical supplies to enable a doctor to treat up to 10 patients seriously-injured patients.

HYGIENE LIBYAN IDP CAMP

The insecurity in Libya during and after the overthrow of the Gadhafi government forced many families to flee their homes due to insecurity or the outbreak of tribal conflict in some places due to the collapse of the tight control exercised by the previous regime. Many families relocated to Tripoli and were unable to return home due to fears for their safety.

The IDPs at the 11 IDP camps in Tripoli have been dependent on the assistance provided by NGOs and other agencies. In particular the sub-standard hygiene situation was having a severe impact on families; especially children. The Islamic Relief hygiene kit provided basic hygiene facilities to 5,000 of these families.



MEDICAL SUPPORT FOR HOSPITALS IN GAZA

Islamic Relief Australia contributed to this £5 million project to provide 200 provide essential drugs to help provide sufficient medication for the people of Gaza hit by a chronic shortage of medical supplies in Gaza's beleaguered hospitals.



Islamic Relief was praised by hospital officials for its swift response to the crisis, with several deliveries of vital medical supplies to hospitals receiving casualties from the conflict. These include essential drugs, such as antibiotics and anaesthetics, and disposable sterile supplies such as tubing, surgical gloves, needles and syringes as well as blankets, canned meat and other food supplies to hospitals.

Due to a lack of investment in training, equipment, and infrastructure, poor maintenance of medical equipment and frequent interruptions of power supplies, even before the conflict the Ministry of Health in Gaza was facing critical shortages of drugs and disposables, with only 192 drugs (40% of the essential medicine list), and 586 medical disposables (65% of the essential list) with 200 items at zero stock.

Ramdan (Feed the Fasting)

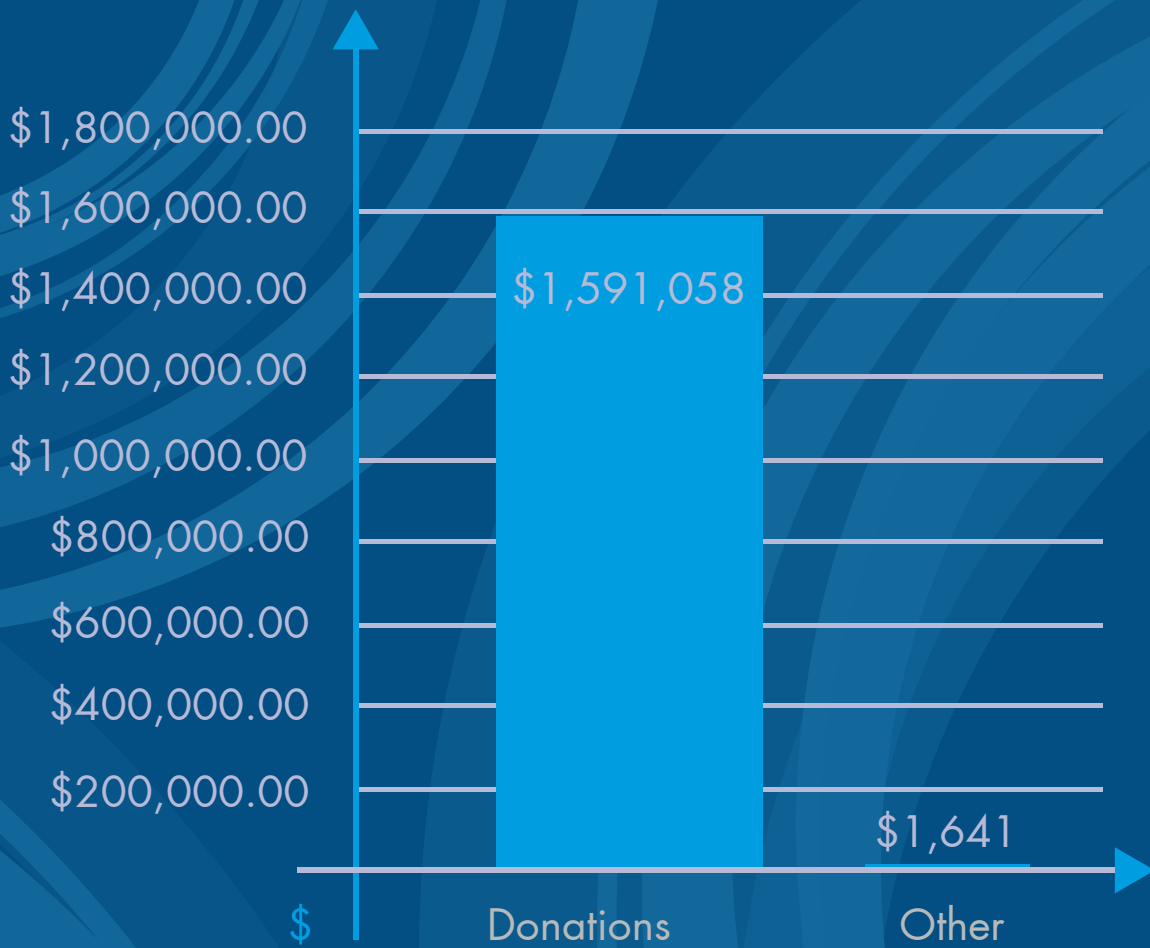
As you are reading this, somewhere in the world a mother will wake up to the cries of her children cries of hunger. She will have no way to feed them. No food in the cupboards, no crops in the fields. Islamic Relief is responding with multiple projects, such as in Bangladesh, where almost half of all children are underweight, we run feeding centres to tackle the challenge of malnutrition. In Northern Kenya, Islamic Relief teams visit families affected by the drought and deliver food and healthcare to children and pregnant women at risk.

During Ramadan, the month when Muslims fast, Islamic Relief distributes food parcels providing one month's supply of food to orphans, widows, and the disabled and other vulnerable people to ensure they have food on the table to break their fast and be in good health to celebrate the end of the holy month on Eid-ul-Fitr. In 2012 approximately 650,000 people in 25 different countries benefitted from the food parcel program contributed by donors from Australia and other countries.

Udhiya/Qurbani (Meat for the Hungry)

Hunger is the world's number one health risk, often hitting children hardest – it kills over five million children every year. Malnourished children who survive often suffer a lifetime of health problems, from stunted growth to weak bones and even brain damage. Since 1986 Islamic Relief has been providing meat to some of the world's poorest people through the implementation of its Udhiya/Qurbani programme on behalf of its generous supporters. In 2012 supported by donors from Australia and other countries, over 3.2 million of the most impoverished people in 27 different countries received fresh and quality meat from the sacrificial offerings on the day of Eid. Islamic Relief ensures that families receive the best quality meat available, selecting only the healthiest animals, ensuring high quality meat for those whose diets lack so much.

Prioritising the most vulnerable – women, children, the elderly, persons who have become refugees or displaced due to war and natural disaster, Islamic Relief delivers meat to these vulnerable families not only in towns and cities, but also in very remote, rural areas that the UN and other charities find hard to reach, reaching communities who hardly ever receive any support.



GOVERNING BODY

Name	Occupation	Position
Heshmat KHALIFA	Manager	Chair
Hossameldin IBRAHIM	Manager	Secretary
Bassam SHURTI	Logistics	Member

Sydney Team

Maaz Abdelkader: Chief Executive Officer
Mohamed Haloush: Admin and HR Officer
Islam El Kahky: Accounts Coordinator
Abdel Djabar Boudelaa: Community Liaison Officer
Nadia Abdel-Fatah: Donor Care Officer
Liz Gameiro: Communications Officer
Fawaz Hawchar: Communications Officer
Kuranda Seyfi Seyit: Communications Manager
Mohamed Mayat: Acting Country Director

Melbourne Team

Mohamed Ahmad: Melbourne Office Manager
Melek Elmas: Community Liaison Officer

COMPLAINTS

Complaints from donors, rights holders (beneficiaries) and the public can be sent to:

Donation Care Officer
Islamic Relief Australia
PO Box 73
Auburn NSW 1835

Phone: 1300 308 554

Email: complaints@islamic-relief.com.au

General complaints should be addressed to:

CEO
Islamic Relief Australia
PO Box 73
Auburn NSW 1835
Phone: 1300 308 554

Email: CEO@islamic-relief.com.au


The Code of Conduct offers a mechanism to address concerns relating to signatories' conduct. Complaints against a signatory agency may be initiated by any member of the public, code signatory organisations, and any other body.

To lodge a complaint against IR Australia for a breach of the Code of Conduct with the ACFID Code of Conduct Committee at:
<http://www.acfid.asn.au/code-of-conduct/complaints>

Email the completed form to complaints@acfid.asn.au

Or post to:

Growth and Effectiveness Team
Private Bag 3
Deakin ACT 2600



SUMMARIZED FINANCIAL STATEMENTS

For The Year ended 31 December 2012

OPERATING STATEMENT

BALANCE SHEET

STATEMENT OF CHANGES IN EQUITY

TABLE OF CASH MOVEMENTS FOR DESIGNATED PURPOSES

***FULL FINANCIAL REPORT AVAILABLE AT REQUEST**

OPERATING STATEMENT

For the year ended 31 December 2012

	2012 \$	2011 \$
REVENUE		
Donations & gifts		
- monetary	1,591,058	808,344
- non-monetary		
Bequest and Legacies	-	-
Grants		
- AusAid	-	-
- Other Australian	-	-
- Other Overseas	-	-
Investment income		
Other income	1,641	2,452
Revenue for international political or religious adherence promotion programs	-	-
TOTAL REVENUE	1,592,699	810,796
DISBURSEMENTS		
International aid and development programs expenditure		
International programs		
- Funds to International programs	418,503	401,188
- Program support costs	105,500	-
Community education	-	-
Fundraising costs	-	-
- Public	365,176	63,358
- Government, multi laterals and private	-	-
Accountability and Administration non-monetary expenditure	447,009	145,239
International aid and development programs expenditure	1,230,688	609,785
International political or religious adherence promotion programs expenditure	-	-
Domestic programs expenditure	-	-
Total expenditure	1,230,688	609,785
Excess revenue over disbursements (shortfall) after extraordinary items	362,011	201,011

BALANCE SHEET

For the year ended 31 December 2012

	2012	2011
ASSETS		
Current Assets		
- Cash and cash equivalents	\$ 556,830	\$ 298,492
- Trade and other receivables	\$ 1,100	\$ -
- Inventories	\$ -	\$ -
- Assets held for sale	\$ -	\$ -
- Other financial assets	\$ 46,868	\$ -
- Total Current Assets	\$ 604,799	\$ 298,492
Non Current Assets		
- Trade and other receivables	\$ -	\$ -
- Other financial assets	\$ -	\$ -
- Property, plant and equipment	\$ 50,439	\$ 11,395
- Investment property	\$ -	\$ -
- Intangibles	\$ -	\$ -
- Other non-current assets	\$ 21,688	\$ 4,050
- Total non-current assets	\$ 72,127	\$ 15,445
TOTAL ASSETS	\$ 676,926	\$ 313,937
LIABILITIES		
Current Liabilities		
- Trade and other payables	\$ 6,494	\$ 5,516
- Borrowings	\$ -	\$ -
- Current tax liabilities	\$ -	\$ -
- Other Financial liabilities	\$ -	\$ -
- Provisions	\$ -	\$ -
- Other	\$ -	\$ -
- Total Current Liabilities	\$ 6,494	\$ 5,516
Non Current Liabilities		
- Borrowings	\$ 107,410	\$ 107,410
- Other financial liabilities	\$ -	\$ -
- Provisions	\$ -	\$ -
- Other	\$ -	\$ -
- Total Non Current Liabilities	\$ 107,410	\$ 107,410
TOTAL LIABILITIES	\$ 113,904	\$ 112,926
NET ASSETS	\$ 563,022	\$ 201,011
EQUITY		
- Reserves	\$ -	\$ -
- Retained Earnings	\$ 563,022	\$ 201,011
TOTAL EQUITY	\$ 563,022	\$ 201,011

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2012

	Retained Earnings	Reserves	Other	Total Equity
Balance at 1 Jan 2012	201,011	-	-	201,011
Adjustments or changes in equity due to, for example, adoptions of new accounting standards	-	-	-	-
Items of other comprehensive income	-	-	-	-
Excess of revenue over expenses	362,011	-	-	362,011
Other amounts transferred (to) or from reserves	-	-	-	-
Balance at 31 Dec 2012	563,022	-	-	563,022

TABLE OF CASH MOVEMENTS DESIGNATED PURPOSES

For the year ended 31 December 2012

	Cash available as at 01 January 2012	Cash raised during year	Cash disbursed during year	Cash available as at 31st December 2012
Emergency Appeal	117,243	480,796	288,079	309,960
Rebuilding Livelihood	-	278,393	7,500	270,893
Qurban Food Aid	-	40,235	-	40,235
Ramadan Appeal	157,763	273,743	18,460	413,046
General, Admin, Projects under 10% of Revenue	(73,995)	519,532	916,649	(471,112)
TOTAL	201,011	1,592,699	1,230,688	563,022

ISLAMIC RELIEF AUSTRALIA
ABN 82 147 006 639

FINANCIAL STATEMENTS
for the year ended 31 December 2012



DIRECTORS' REPORT for the year ended 31 December 2012

Your directors present this report on the entity for the financial year ended 31 December 2012.

DIRECTORS

The names of each person who has been a director during the year and to the date of this report are:

Heshmat Khalifa Ahmed Khalifa	Director since 25/10/2010 and Chairman
Bassam Shurti	Director since 14/04/2011
Hossameldin Mohamed Abdel Ibrahim	Director since 14/04/2011

During the financial year there were three directors' meetings which were attended as follows

Heshmat Khalifa Ahmed Khalifa	3 (of 3)
Bassam Shurti	3 (of 3)
Hossameldin Mohamed Abdel Ibrahim	3 (of 3)

PRINCIPAL ACTIVITY

The principal activity of the company during the financial year was the raising of funds for the relief of poverty in developing countries. No significant change in the nature of these activities occurred during the year.

OBJECTIVES AND STRATEGIES

The company's short term objectives are to:

- Obtain sponsors and donors to enable the continuation of our aim to relieve worldwide suffering; and to
- Obtain deductible gift recipient status to enhance fundraising activities.

The company's long term objectives are to:

- Continue to provide aid to those in need in developing countries;
- Deliver timely assistance in emergencies;
- Support education development in disadvantaged communities;
- Provide access to healthcare and water to improve health;
- Promote sustainable livelihoods to reduce dependency on aid;
- Increase awareness of humanitarian issues; and to
- Establish and maintain relationships that foster the above objectives.

To achieve these objectives, the company has adopted the following strategies:

- Attract and retain quality staff and volunteers who are committed to our objectives.
- Meet all relevant Government requirements.
- Meet consistent standards of best practice for fundraising and reporting.

ISLAMIC RELIEF AUSTRALIA
ABN 82 147 006 639

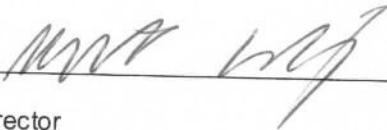
DIRECTORS' REPORT for the year ended 31 December 2012

The entity is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the company.

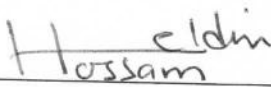
AUDITOR'S INDEPENDENCE DECLARATION

The directors received the accompanying independence declaration from the auditor.

This directors' report is signed in accordance with a resolution of the Board of Directors:



Director



Director

Sydney,

August 2013



PASCOE WHITTLE

LEVEL 8, 191 CLARENCE STREET
SYDNEY NSW 2000
GPO Box 5269
SYDNEY NSW 2001
TELEPHONE (02) 9299 2444
FACSIMILE (02) 9299 2423

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**

**TO THE MEMBERS OF
ISLAMIC RELIEF AUSTRALIA**

We declare to the best of our knowledge and belief, during the year ended 31 December 2012 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.

PASCOE WHITTLE

A handwritten signature in black ink, appearing to read 'John Pascoe', is written over a faint, larger version of the same signature.

JOHN PASCOE
Partner

Sydney

19 September 2013

ISLAMIC RELIEF AUSTRALIA
ABN 82 147 006 639

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2012

	Note	2012 \$	2011 \$
Revenue from ordinary activities	2	1,592,699	810,796
Depreciation expense		(6,284)	(1,403)
Employee costs		(278,011)	(82,526)
Funds disbursed		(703,007)	(464,546)
Other expenses from ordinary activities		(243,386)	(61,310)
Profit/(loss) from ordinary activities	10	<u>362,011</u>	<u>201,011</u>
Net Profit/(Loss)		<u>362,011</u>	<u>201,011</u>
Other comprehensive income		<u>0</u>	<u>0</u>
Total comprehensive income for the year attributable to members		<u>362,011</u>	<u>201,011</u>

The accompanying notes form part of these accounts

ISLAMIC RELIEF AUSTRALIA
ABN 82 147 006 639

STATEMENT OF FINANCIAL POSITION as at 31 December 2012

	Note	2012 \$	2011 \$
CURRENT ASSETS			
Cash	4	556,830	298,492
Advances		46,868	0
Pledges Receivable		1,100	0
TOTAL CURRENT ASSETS		<u>604,799</u>	<u>298,492</u>
NON-CURRENT ASSETS			
Other assets	5	21,688	4,050
Property, plant and equipment	6	50,439	11,395
TOTAL NON-CURRENT ASSETS		<u>72,127</u>	<u>15,445</u>
TOTAL ASSETS		<u>676,925</u>	<u>313,937</u>
CURRENT LIABILITIES			
Creditors	7	6,494	5,516
TOTAL CURRENT LIABILITIES		<u>6,494</u>	<u>5,516</u>
NON-CURRENT LIABILITIES			
Borrowings	8	107,410	107,410
TOTAL NON-CURRENT LIABILITIES		<u>107,410</u>	<u>107,410</u>
TOTAL LIABILITIES		<u>113,904</u>	<u>112,926</u>
NET ASSETS		<u>563,022</u>	<u>201,011</u>
EQUITY			
Retained profits/(Accumulated losses)		563,022	201,011
TOTAL EQUITY		<u>563,022</u>	<u>201,011</u>

The accompanying notes form part of these accounts

ISLAMIC RELIEF AUSTRALIA
ABN 82 147 006 639

STATEMENT OF CHANGES IN EQUITY for the year ended 31 December 2012

	Retained Earnings \$	Total \$
Balance at 1 January 2011	0	0
Profit attributable to equity shareholders	201,011	201,011
Balance at 31 December 2011	<u>201,011</u>	<u>201,011</u>
Profit attributable to equity shareholders	362,011	362,011
Balance at 31 December 2012	<u>563,022</u>	<u>563,022</u>

The accompanying notes form part of these accounts

STATEMENT OF CASH FLOWS for the year ended 31 December 2012

	Note	2012	2011
Cash Flows From Operating Activities			
Proceeds from fundraising		1,591,058	808,344
Interest received		1,641	2,452
Payments to suppliers, employees and beneficiaries		(1,242,165)	(606,916)
Net cash generated from operating activities	10	<u>350,534</u>	<u>203,880</u>
Cash Flows From Investing Activities			
Advances		(46,868)	-
Payment for property plant and equipment		(45,328)	(12,798)
Net cash used in investing activities		<u>(92,196)</u>	<u>(12,798)</u>
Cash Flows From Financing Activities			
Proceeds from loans		-	107,410
Net cash used in financing activities		<u>-</u>	<u>107,410</u>
Net increase in cash held		258,338	298,492
Cash at beginning of the financial year		298,492	-
Cash at end of the financial year	4	<u>556,830</u>	<u>298,492</u>

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2012

1. STATEMENT OF ACCOUNTING POLICIES

Basis of Preparation

Islamic Relief Australia has adopted the Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements. As a consequence, the entity has also adopted the following Amending Standards containing reduced disclosure requirements.

- AASB 2011-2: Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project; and
- AASB 2011-6: Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation – Reduced Disclosure Requirements.

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements, except for the cash flow information, have 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.

The financial statements were authorised for issue on 16 August 2013 by the directors of the company.

Accounting Policies

Income Tax

Under Section 50(5) of the Income Tax Assessment Act 1997 the income of the company is exempt from income tax.

Cash

Cash and cash equivalents includes cash on hand, at call deposits with banks and other short term liquid investments with maturities of three months or less.

Property, plant and equipment

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

Depreciation of property, plant and equipment

Depreciation is calculated on a prime cost basis to write off the net cost of each item of property, plant and equipment over its expected useful life to the company. The expected useful lives are as follows -

Plant, equipment, leasehold improvements	5 - 10 years
Computer and office equipment	4 years

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2012

1. STATEMENT OF ACCOUNTING POLICIES (continued)

Employee Entitlements

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the date of year end.

The amount charged to the income statement in respect of superannuation represents the contributions made by the company to the superannuation funds of employees.

Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. Revenue from donations and grants is recognised during the period in which it was received. All revenue is stated of the amount of goods and services tax.

Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Economic Dependence

The company is dependent on Islamic Relief Worldwide (IRW) for its loan funding requirements. At the date of this report the directors have no reason to believe that IRW will not continue to support the company on an ongoing basis.

NOTES TO THE ACCOUNTS for the year ended 31 December 2012

	2012	2011
	\$	\$
2 REVENUE		
Revenue from operating activities		
Restricted funds received	970,958	623,081
Unrestricted funds received	620,100	185,263
Interest received	1,641	2,452
Total revenue	<u>1,592,699</u>	<u>810,796</u>
3 PROFIT FOR THE YEAR		
Profit from ordinary activities includes the following specific net gains and expenses:		
Net gains		
Net gain on disposal of property plant and equipment	0	0
Expenses		
Depreciation	6,284	1,403
Employee entitlements	0	0
Contributions to defined contribution superannuation funds	23,274	6,814
Auditor's Remuneration	10,600	0
Rental expense on operating leases	69,634	23,636
4 CASH		
CURRENT		
Cash at bank - Westpac general account	328,541	297,242
Cash at bank - Westpac administration account	227,249	1,250
Petty Cash - Sydney	40	0
Petty Cash - Melbourne	1,000	0
	<u>556,830</u>	<u>298,492</u>
5 OTHER ASSETS		
NON CURRENT		
Security deposits	<u>21,688</u>	<u>4,050</u>

NOTES TO THE ACCOUNTS for the year ended 31 December 2012

	2012	2011
	\$	\$
6 PROPERTY, PLANT AND EQUIPMENT		
NON CURRENT		
Leasehold improvements	8,454	0
Less: accumulated depreciation	<u>(649)</u>	<u>0</u>
	<u>7,805</u>	<u>0</u>
Furniture, fixtures and equipment	49,672	12,798
Less: accumulated depreciation	<u>(7,038)</u>	<u>(1,403)</u>
	<u>42,634</u>	<u>11,395</u>
	<u>50,439</u>	<u>11,395</u>
Movements in carrying value:		
Balance at the beginning of the year	11395	0
Additions at cost	45,328	12,798
Depreciation expense	<u>(6,284)</u>	<u>(1,403)</u>
	<u>50,439</u>	<u>11,395</u>
7 CREDITORS		
CURRENT		
Sundry creditors and accruals	645	1,420
GST payable/(refundable)	(17,060)	(2,290)
Other creditors	<u>22,909</u>	<u>6,386</u>
	<u>6,494</u>	<u>5,516</u>
8 BORROWINGS		
NON CURRENT		
Loan - Islamic Relief World Wide	<u>107,410</u>	<u>107,410</u>

9 COMPANY STRUCTURE

On 25 October 2010 the company was incorporated in New South Wales under the Corporations Law as a public company limited by guarantee.

The registered office of the company is:

56 Auburn Road
 Auburn NSW 2144

NOTES TO THE ACCOUNTS for the year ended 31 December 2012

	2012 \$	2011 \$
10 CASH FLOW INFORMATION		
(a) Reconciliation of cash		
Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the balance sheet as follows:		
Westpac general account	328,541	297,242
Westpac administration account	227,249	1,250
Petty Cash - Sydney	40	0
Petty Cash - Melbourne	1,000	0
	556,830	298,492
(b) Reconciliation of profit/(loss) from ordinary activities after income tax to net cash inflow from operating activities		
Operating profit/(loss)	364,031	201,011
Non-cash flows in operating profit		
Depreciation and amortisation	6,284	1,403
(Increase)/decrease in receivables	(18,738)	(4,050)
Increase/(decrease) in creditors	978	5,516
Net cash inflow from operating activities	352,556	203,880

11 FINANCIAL RISK MANAGEMENT

The company's financial instruments consist mainly of deposits with banks, trade and other payables and borrowings.

The totals for each category of financial asset or liability are measured as detailed in the accounting policies to these financial statements are as follows:

Financial assets:

Cash and cash equivalents	556,830	298,492
Total financial assets	556,830	298,492

Financial liabilities:

Trade and other payables	6,549	5,516
Borrowings	107,410	107,410
Total financial liabilities	113,959	112,926

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2012

12 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Company does not have any known contingent liabilities or contingent assets.

13 EVENTS AFTER THE REPORTING DATE

The directors are not aware of any significant events since the end of the reporting period.

14 RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal terms and conditions no more favourable than those available to other persons unless otherwise stated.

15 REMUNERATION OF EXECUTIVE

No amount of remuneration has been received or is receivable by executive directors.

16 CAPITAL COMMITMENTS


There were no capital expenditure commitments contracted for by the company at the reporting date.

ISLAMIC RELIEF AUSTRALIA
ABN 82 147 006 639

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Islamic Relief Australia, the directors of the entity declare that:

1. the accompanying financial statements and notes are in accordance with the Corporations Act 2001 and:
 - (a) comply with Australian Accounting Standards; and
 - (b) give a true and fair view of the company's financial position as at 31 December 2012 and of its performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.



Director



Director

Sydney,

August 2013



PASCOE WHITTLE

LEVEL 8, 191 CLARENCE STREET
SYDNEY NSW 2000

GPO Box 5269
SYDNEY NSW 2001

TELEPHONE (02) 9299 2444
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**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF ISLAMIC RELIEF AUSTRALIA**

We have audited the accompanying financial report, being a special purpose financial report, of Islamic Relief Australia, which comprises the statement of financial position as at 31 December 2012, the statement of comprehensive income, statement of changes in equity, statement of cash flows, table of cash movements for the year then ended, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Corporations Act 2001 and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have 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 company's preparation of the financial report that gives a true and fair view 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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.



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 the Corporations Act 2001.

Opinion

In our opinion the financial report of Islamic Relief Australia is in accordance with the Corporations Act 2001, including:

- a. giving a true and fair view of the company's financial position as at 31 December 2012 and of its performance for the year ended on that date; and
- b. complying with Australian Accounting Standards to the extent described in Note 1, and complying with the *Corporations Regulations 2001*.

Basis of Accounting

Without modifying our opinion, we draw your attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the Corporations Act 2001. As a result, the financial report may not be suitable for another purpose.

PASCOE WHITTLE
Chartered Accountants

JOHN S PASCOE
Sydney

19 September 2013



PASCOE WHITTLE

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**DISCLAIMER
DETAILED PROFIT AND LOSS ACCOUNT
to the Directors of Islamic Relief Australia
on the 31 December 2012 Financial Report**

The additional financial data presented in the following pages is in accordance with the books and records of Islamic Relief Australia that have been subjected to the auditing procedures applied in our statutory audit of the company for the year ended 31 December 2012. It will be appreciated that our statutory audit did not cover all of the details of the additional financial data. Accordingly we do not express an opinion on such data and no warranty of accuracy or reliability is given. Neither the firm nor any other member or employee of the firm undertakes responsibility in anyway whatsoever to any person in respect of such data, including any errors or omissions therein however caused.

PASCOE WHITTLE
Chartered Accountants

JOHN S PASCOE
Sydney,

19 September 2013

ISLAMIC RELIEF AUSTRALIA
ABN 82 147 006 639

DETAILED PROFIT AND LOSS ACCOUNT for the year ended 31 December 2012

	2012	2011
	\$	\$
INCOME		
Restricted Funds		
Emergency and disasters	480,796	490,639
Education	890	100
Health	34,742	1,100
Food and water	19,766	0
Child welfare	8,518	7,454
Orphan Sponsor	57,659	0
Eid Clothing	7,090	0
Eid Gifts	110	0
Rebuilding livelihoods	278,393	100
Shelter and housing	10,850	0
Water tanks	460	8,000
Water wells	11,508	36,043
Water and sanitation	140	0
Ramadan - Feed the fasting	325	1,000
Ramadan - Fidyah	25	350
Ramadan - Zakat-UI-Fitr	19,450	27,606
Qurban - Local slaughter	40,235	50,689
Total restricted income	<u>970,958</u>	<u>623,081</u>
Unrestricted Funds		
Sadaqah	585,441	120,005
Zakat-UI-Mal	34,027	55,638
Other	632	9,620
Interest received	1,641	2,452
Total unrestricted income	<u>621,741</u>	<u>187,715</u>
TOTAL INCOME	<u>1,592,699</u>	<u>810,796</u>
FUNDS DISBURSED		
Emergency and disasters	288,079	315,378
Overseas Campaign	25,000	0
Aid and medical	20,000	0
Eid clothing	11,980	0
Rebuilding livelihoods	7,500	0
Shelter and housing	11,464	0
Water tanks and construction	20,000	0
Water wells and boreholes	28,000	0
Feed the fasting	6,480	0
Ramadan - Zakat-UI-Fitr	0	27,500
Qurban - Local slaughter	0	50,689
Unrestricted Funds - Sadaqah and other	0	7,621
Total disbursements	<u>418,503</u>	<u>401,188</u>

FUNDRAISING AND MARKETING

Accommodation and travel	147,851	17,513
Marketing	61,046	8,576
Equipment hire	1,323	4,158
Printing and artwork design	31,364	16,406
Venue hire	102,317	16,705
Volunteers costs	21,275	0
Total fundraising and monitoring costs	<u>365,176</u>	<u>63,358</u>

ADMINISTRATION EXPENSES

Accounting Fees	9,749	0
Audit Fees	10,600	0
Bank fees	5,233	567
Consulting	2,886	7,110
Council rates	328	0
Depreciation	6,284	1,403
Dues and subscriptions	1,645	0
Electricity	1,901	943
Insurance	4,237	2,635
IT Services	1,085	0
Legal fees	3,713	2,000
Merchant fees	5,514	1,412
Miscellaneous expenses	8,665	6,878
Office consumables	5,108	719
Postage and shipping	599	2,251
Printing and stationery	3,535	2,755
Rent	84,245	23,636
Repairs and maintenance	355	0
Staff amenities and training	2,106	0
Superannuation	23,274	6,814
Telephone	6,896	2,077
Travel and entertainment	0	8,327
Wages and salaries	254,737	75,712
Water consumption	4,315	0
Total administration expenses	<u>447,009</u>	<u>145,239</u>
TOTAL EXPENSES	<u>1,230,689</u>	<u>609,785</u>
NET PROFIT/(LOSS)	<u>362,011</u>	<u>201,011</u>

This Detailed Profit and Loss Account does not form part of the audited financial statements refer to disclaimer report



**Call 1300 308 554
or visit islamic-relief.com.au**

Charity No. 21816