

4 November 2010

The Committee  
Healthserve Australia Inc.  
P O Box 290  
EASTWOOD N/S/W/ 2122.

Dear Sirs,

Ref: Audit for year ended 30<sup>th</sup> June 2010.

I enclose herewith the Association's Financial Statements for the year ended 30<sup>th</sup> June 2010 duly audited as required.

The internal audit procedures put in place after the 2006 audit are being followed and are working satisfactorily.

With regard to solvency, due to the provision of interest free loans by certain members, and the agreed deferral of the fees owing to the chief executive officer, the company is able to pay its debts as they fall due. The loan agreements between the company and the members have been monitored and the loan periods have been extended in writing prior to the expiry date.

The company is now trading in a satisfactory manner and the present Directors have put in place measures that have solved problems. The solvency situation should always be monitored to ensure the company complies with the law.

I have noted that the minutes of Directors meetings are in much greater detail. As previously stated major decisions of the Board including the approval of expenditure should be recorded by way of resolution.

During the course of the audit I received answers to all my queries and enquiries and appreciate the co-operation and assistance of all concerned.

Yours faithfully,

John M Byron F.C.A.

John M Byron & Co.



**HEALTHSERVE AUSTRALIA INC**

**ABN: 55 119 897 988**

**FINANCIAL STATEMENTS FOR THE YEAR**

**ENDED 30<sup>th</sup> JUNE 2010**

John M. Byron & Co.  
Chartered Accountants  
3 Sandhurst Cres.,  
GLENHAVEN NSW 2156  
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## **CONTENTS**

Declaration by Members of the Committee

Income and Expenditure Statement

Statement of Financial Position (Balance Sheet)

Notes to and forming part of the Financial  
Statements

Independent Audit Report

**HEALTHSERVE AUSTRALIA INC**

**ABN: 55 119 897 988**

**DECLARATION MEMBERS OF THE COMMITTEE**

The Committee has determined that the association is not a reporting entity. The committee has determined that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial accounts.

The members of the Committee declare that:

- 1 The financial statements and notes as set out herein presents the associations financial position as at 30<sup>th</sup> June 2010 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
- 1 In the committees opinion there are reasonable grounds to believe that the association will be able to pay it's debts as and when they become due and payable.

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

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Member

DATED this 12<sup>th</sup> November 2010

# HealthServe Australia Inc

PO Box 290  
EASTWOOD NSW 2122

## International Aid and Development Income Statement

July 2009 through June 2010

	2010	2009
<b>REVENUE</b>		
<b><u>Donations and Gifts</u></b>		
<b>monetary</b>		
Donations and Gifts	\$ 19,349.25	
Donation H'serve Partnership	\$ 17,865.00	\$ 1,900.00
<b>non monetary</b>		
non monetary donations	\$ -	\$ -
Total Donations and Gifts	\$ 37,214.25	\$ -
<b><u>Grants</u></b>		
Grants	\$ -	\$ -
<b><u>Other Income</u></b>		
Management Income		\$ 17,316.45
Zimbabwe - Christmas Card sale	\$ 2,156.00	
Prime Training June 2010	\$ 3,525.00	
Interest Income	\$ 1.14	\$ 2.18
Linking Hands Tour	\$ -	\$ 10,527.28
Kili proj Breakfast 13/6 TUC	\$ -	\$ 1,225.00
HIV Initiative -Funds received	\$ 660.00	\$ -
Hope Zimbabwe - funds received	\$ 600.00	\$ -
Bangladesh funds received	\$ 5,650.00	\$ -
Total Other Income	\$ 12,592.14	\$ 29,070.91
Total Revenue	\$ 49,806.39	\$ 30,970.91

### **EXPENDITURE**

#### **Accountability and Admin**

Bank Fees	\$ 49.05	\$ 54.98
Paypal Fees	\$ -	\$ 66.20
Administration Fees	\$ -	\$ -
Accounting	\$ -	\$ -
Audit Expenses	\$ 1,000.00	\$ 1,000.00
Co-Aid Fees	\$ -	\$ 1,522.45
Consultancy Fees	\$ 580.91	\$ -
Gifts and Donations	\$ 573.75	\$ -
Fees - B'sness registration	\$ 47.00	\$ -
Fees - ACFID	\$ 1,345.45	\$ -
Insurance	\$ 1,156.06	\$ 2,084.29
Total Accountability and Admin	\$ 4,752.22	\$ 4,727.92

<b><u>Community Education</u></b>			
Community Education		\$ -	\$ -
<b><u>Fundraising Costs</u></b>			
Prime Training Brisbane		\$ 272.00	\$ -
<b><u>Employment Expenses</u></b>			
Staff Amenities	\$ -		\$ -
Superannuation	\$ 367.20		\$ -
Wages & Salaries	\$ 4,080.00		\$ -
Office manager contra CMDFA	\$ 899.25		\$ 5,376.97
Exec Officer - Consultancy Fee	\$ 8,126.57		\$ 20,494.84
Exec Officer - expenses	\$ 413.64		\$ -
Exec Office -phone/internet	\$ 362.33		\$ -
Executive officer Travel	\$ 210.00		\$ 595.00
Exec Officer Interstate Travel	\$ 160.00		\$ 545.43
<b>Total Employment Expenses</b>		\$ 14,618.99	\$ 27,012.24
<b><u>Office Expenses</u></b>			
Postage	\$ 1,219.00		\$ 29.01
Printing Costs	\$ 1,024.80		\$ 266.57
Promotions non printing	\$ 40.00		\$ 1,857.27
Stationery	\$ 473.23		\$ 615.00
Web-site	\$ 785.60		\$ 845.75
Teleconference	\$ 486.10		\$ 1,160.85
Hire Hall for AGM	\$ 200.00		\$ -
Total Office Expenses		\$ 4,228.73	\$ 4,774.45
<b><u>International Programs</u></b>		\$ -	\$ -
<b><u>Other Expenses</u></b>			
GST Rounding	\$ 1.63		\$ 2.38
Linking Hands Tour	\$ -		\$ 10,380.90
Kili proj Breakfast 13/6 TUC	\$ -		\$ 867.87
Bangladesh funds paid	\$ 5,623.27		\$ -
HIV Init - Gideon's funds paid	\$ 10.00		\$ -
Hope Zimbabwe - funds paid	\$ 600.00		\$ -
Hope Zimb cards funds pd	\$ 1,643.50		\$ -
Total Other Expenses		\$ 7,878.40	\$ 11,251.15
<b>Total Expenditure</b>		\$ 31,750.34	\$ 47,765.76
<b>Excess/(Shortfall) of Revenue Over Expenditure</b>		\$ 18,056.05	-\$ 16,794.85

# HealthServe Australia Inc

ABN:55 119 897 988

## Balance Sheet

As of June 2010

<u>ASSETS</u>	<u>2010</u>	<u>2009</u>
<b>Current Assets</b>		
Cash On Hand		
Cheque Account	\$ 17,149.07	\$ 5,757.10
Petty Cash	\$ 68.29	\$ -
Undeposited Funds	\$ 500.00	\$ 1,000.00
Total Cash On Hand	<u>\$ 17,717.36</u>	<u>\$ 6,757.10</u>
Pledges Receivable	\$ 200.00	\$ -
GST Refund Receivable	\$ 313.24	\$ 960.47
Total Current Assets	<u>\$ 18,230.60</u>	<u>\$ 7,717.57</u>
Total Assets	<u>\$ 18,230.60</u>	<u>\$ 7,717.57</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade Creditors	\$ 385.96	\$ 981.33
Payroll Liabilities		
PAYG Withholding Payable	\$ 524.00	
Total Payroll Liabilities	<u>\$ 524.00</u>	<u>\$ -</u>
Total Current Liabilities	<u>\$ 909.96</u>	<u>\$ 981.33</u>
<b>Long-Term Liabilities</b>		
3yr loan W Bourke to 300612	\$ 2,000.00	\$ 2,000.00
3yr loan H Stokoe to 300611	\$ 5,000.00	\$ 5,000.00
3yr Int free loan CMDFA	\$ -	\$ 5,000.01
Loan 3 yr Cliff Smith 311212	\$ 19,979.37	\$ 22,451.01
Loan A Gijsbers to 300612	\$ 6,000.00	\$ 6,000.00
Total Long-Term Liabilities	<u>\$ 32,979.37</u>	<u>\$ 40,451.02</u>
Total Liabilities	<u>\$ 33,889.33</u>	<u>\$ 41,432.35</u>
Net Assets	-\$ 15,658.73	-\$ 33,714.78
Equity		
Retained Earnings	-\$ 33,714.78	-\$ 16,919.93
Current Year Surplus/Deficit	\$ 18,056.05	-\$ 16,794.85
Total Equity	<u>-\$ 15,658.73</u>	<u>-\$ 33,714.78</u>

John M Byron & Co.

**HEALTHSERVE AUSTRALIA INC**

**ABN: 55 119 897 988**

**NOTES TO AND FORMING PART OF THE ACCOUNTS**

**FOR THE YEAR ENDED 30TH JUNE 2010**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

- 1 This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporations Act (NSW) The Committee has determined that the Association is not a reporting entity.

The report has been prepared in accordance with the requirements of the following applicable accounting standards and other mandatory professional reporting requirements.

AAS 1 Profit & Loss Accounts  
AAS 5 Materiality  
AAS 8 Events Occurring After Reporting Date

No other Australian Accounting Standards, Urgent Issues Group Consensus Views, or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial report is prepared on an accruals basis from the records of the Association. It is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of these statements.

2 Property Plant & Equipment

Property, Plant & Equipment are included at cost. All assets, excluding freehold land and buildings are depreciated over their useful lives or at depreciation rates set by the Commissioner of Taxation.

3 Inventories

Inventories are included at cost.

4 Income Tax

By virtue of its aims as set out in its constitution the Association qualifies as an organisation specifically exempted from ordinary income tax under section 50-45 of the Income Tax Assessment Act 1997.

These notes should be read in conjunction with the attached Audit report of John M. Byron & Co. Chartered Accountants.

# HEALTHSERVE AUSTRALIA INC

ABN: 55 119 897 988

## INDEPENDENT AUDIT REPORT TO THE MEMBERS

### SCOPE.

I have audited the financial statements of the **Healthserve Australia Inc.** for the year ended 30<sup>th</sup> June 2010 as set out herein. The Management Committee is responsible for the preparation and presentation of the financial statements and the information they contain. I have conducted an independent audit of these financial statements in order to express an opinion on them to members.

My audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material misstatement. My procedures include examination on a test basis of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Accounting Standards (apart from as noted in the notes to the Accounts) and statutory requirements so as to present a view which is consistent with my understanding of the Associations financial position and the results of its operations

### QUALIFICATIONS

- (1) As it has not been practical for the association to maintain an effective system of internal control over revenue until their initial entry in the accounting records, my audit in relation to revenue was limited to amounts recorded.
- (2) The system for invoicing and recording the receipt of subscriptions has as in previous years places limitations on audit testing. As a result I am unable to provide an unqualified opinion in respect of the sales and receipts system presently in place.

The audit opinion expressed in this report has been formed on the above basis.

### AUDIT OPINION

Subject to the qualifications expressed above in my opinion the financial statements of **Healthserve Australia Inc** are in accordance with:

- (a) the Associations Incorporation Act (NSW), including:
  - (i) giving a true and fair view of the company's financial position as at 30<sup>th</sup> June 2010 and of the company's performance for the year ended on that date and
  - (ii) complying with Accounting Standards; and
- (b) other mandatory professional reporting requirements.

DATED this 12<sup>th</sup> November 2010

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John M Byron F.C.A.

John M Byron & Co.