



# FINANCIAL REPORT

## FOR YEAR ENDED 30 JUNE 2012

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**Auditor:**  
Jason O'Connor B.Com CPA  
[www.joconnorptyltd.com.au](http://www.joconnorptyltd.com.au)



## INCOME STATEMENT FOR YEAR ENDED 30 JUNE 2012

	2012 \$	2011 \$
<b>INCOME</b>		
Donations - Zakaat	127,182.18	45,231.53
Donations - Emergency	214,910.73	199,182.25
Donations - Fitra	16,235.45	17,506.90
Donations - Interest	10,541.95	1,744.39
Donations - General Income	38,653.13	35,465.15
Donations - Admin Income	3,536.00	-
<b>Total Income</b>	<b>411,059.44</b>	<b>299,130.22</b>
<b>EXPENDITURE</b>		
Distributions - Zakaat	127,182.18	45,231.53
Distributions - Emergency	214,910.73	199,182.25
Distributions - Fitra	16,235.45	17,506.90
Distributions - Interest	10,541.95	1,744.39
Distributions - General	31,217.35	8,645.00
Audit fees	440.00	440.00
Bank fees	125.00	237.60
Merchant fees	1,065.04	1,050.82
Donation tins	504.00	-
Postage and shipping	137.00	130.00
Promotions	1,391.00	330.00
<b>Total Expenditure</b>	<b>403,749.70</b>	<b>274,498.49</b>
<b>Surplus</b>	<b>7,309.74</b>	<b>24,631.73</b>
Income Tax Expense (note 1.a)	-	-
<b>Surplus attributable to the Foundation</b>	<b>7,309.74</b>	<b>24,631.73</b>

The accompany notes for part of these financial statements.



## BALANCE SHEET AS AT 30 JUNE 2012

	2012 \$	2011 \$
<b>CURRENT ASSETS</b>		
Cash at Bank - Zakaat	24,589.28	33,069.44
Cash at Bank - Emergency	22,978.10	14,034.12
Cash at Bank - General Funds	54,648.55	47,697.75
Cash at Bank - Interest	6,222.90	5,965.21
Cash at Bank - Fitra	200.00	617.80
Cash at Bank - Admin	1,464.00	-
<b>Total Current Assets</b>	<b>110,102.83</b>	<b>101,384.32</b>
<b>CURRENT LIABILITIES</b>		
Unspent Funds - Zakaat	44,271.22	52,935.54
Unspent Funds - Interest	17,327.39	7,049.70
Unspent Funds - Fitra	200.00	404.60
<b>Total Current Liabilities</b>	<b>61,798.61</b>	<b>60,389.84</b>
<b>NET ASSETS</b>	<b>48,304.22</b>	<b>40,994.48</b>
<b>FOUNDATION EQUITY</b>		
Accumulated Surplus	48,304.22	40,994.48
<b>Total Foundation Equity</b>	<b>48,304.22</b>	<b>40,994.48</b>



## STATEMENT OF CHANGES IN TRUST EQUITY FOR THE YEAR ENDED 30 JUNE 2012

	Accumulated Surplus \$	Total \$
Opening Balance 30 June 2010	16,362.75	16,362.75
Accumulated Surplus	24,631.73	24,631.73
<b>Closing Balance 30 June 2011</b>	<b>40,994.48</b>	<b>40,994.48</b>
Opening Balance 30 June 2011	40,994.48	40,994.48
Accumulated Surplus	7,309.74	7,309.74
<b>Closing Balance 30 June 2012</b>	<b>48,304.22</b>	<b>48,304.22</b>

## CASH FLOW STATEMENT FOR YEAR ENDED 30 JUNE 2012

	Note	2012 \$	2011 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Donations received		412,468.21	348,897.98
Distributions paid		(400,087.66)	(261,630.07)
Payments to suppliers		(3,662.04)	(2,188.42)
<b>Net Cash Provided / (Used) by Operating Activities</b>	3.a	<b>8,718.51</b>	<b>85,079.49</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Net Cash Provided / (Used) by Investing Activities</b>		<b>-</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Net Cash Provided / (Used) by Financing Activities</b>		<b>-</b>	<b>-</b>
Net Increase in Cash Held		8,718.51	85,079.49
Cash at the beginning of the period		101,384.32	16,304.83
<b>Cash at the End of the Period</b>	3.b	<b>110,102.83</b>	<b>101,384.32</b>



## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

#### **(a) Income Tax:**

The Foundation is exempt from income tax in accordance with the provisions of Section 50 of the Income Tax Assessment Act 1997 accordingly no liability is recognised.

#### **(b) Cash and Cash Equivalents:**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

#### **(c) Founder and Trustees:**

Founder:

- Shummis Deen Rane

Trustees:

- Haroon Deen
- Hussin Goss
- Ismail Cajee
- Janeth Deen
- Osman Rane
- Yusuf Khatree
- Yousuf Meer



**(d) Revenue**

In accordance with the Trust Deed, where a donation is received for a specific fund, those donations are held as a liability and only recognized as income when the conditions of the Trust Deed are satisfied.

All other income is recognised as general income of the Foundation.

All income is inclusive of Goods and Services Tax.

As the Foundation is receiving anonymous donations, it is not practicable for the Trustees to maintain an effective system of internal control over the receipt of donations until their initial entry in the accounting records. Accordingly our audit in relation to donations was limited to amounts banked and recorded in the financial statements.

**(e) Goods and Services Tax**

The Foundation is not registered for Goods and Services Tax (GST), accordingly all income and expenditure that is subject to GST is shown as GST inclusive.

	2012	2011
	\$	\$

**NOTE 2: AUDITORS REMUNERATION**

Audit Fee	440.00	440.00
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**NOTE 3: CASH FLOW INFORMATION**

**a. reconciliation of cash flows from surplus**

Surplus Attributable to the Foundation	7,309.74	24,631.73
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**Non Cash Items:**

Depreciation	-	-
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**Changes in assets and liabilities**

(Increase) / decrease in case loans	-	10,680.00
Increase / (decrease) in unallocated funds	1,408.77	49,767.76
	8,718.51	85,079.49

**b. reconciliation of cash**

Cash at Bank - Zakaat	24,589.28	33,069.44
Cash at Bank - Emergency	22,978.10	14,034.12
Cash at Bank - General Funds	54,648.55	47,697.75
Cash at Bank - Interest	6,222.90	5,965.21
Cash at Bank - Fitra	200.00	617.80
Cash at Bank - Admin	1,464.00	-
	110,102.83	101,384.32



## TRUSTEES' DECLARATION

The Trustees of the foundation declare that:

1. the financial statements and notes, as set out on pages two to six, present fairly the Foundation's financial position as at 30 June 2012 and its performance for the year ended on that date in accordance with the Trust Deed dated the 25 March 2009, the Australian Accounting Standards (including Australian Accounting Interpretations); and
2. in the trustees' opinion there are reasonable grounds to believe that the foundation will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Trustees of the Foundation.

\_\_\_\_\_  
Haroon Deen

\_\_\_\_\_  
Hussin Goss

\_\_\_\_\_  
Ismail Cajee

\_\_\_\_\_  
Janeth Deen

\_\_\_\_\_  
Osman Rane

\_\_\_\_\_  
Yusuf Khatree

\_\_\_\_\_  
Yousuf Meer

Dated this      day of                      2012.



## **INDEPENDENT AUDIT REPORT**

### **To the Trustees of Muslim Charitable Foundation**

#### **Scope**

##### **The financial report and Trustees' responsibility**

The financial report comprises the income statement, balance sheet, cash flow statement, accompanying notes to the financial statements, and the Trustees' declaration for the **Muslim Charitable Foundation** (the Foundation) for the year ended **30 June 2012**.

The Trustees of the Foundation are responsible for the preparation and true and fair presentation of the financial report in accordance with the Trust Deed dated the 25 of March 2009. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

#### **Audit Approach**

We conducted an independent audit in order to express an opinion to the Trustees of the Foundation. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Trust Deed dated the 25 March 2009, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the company's financial position, and of their performance as represented by the results of their operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Trustees.

While we considered the effectiveness of the Trustee's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

#### **Independence**

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.





## INDEPENDENT AUDIT REPORT (continued)

### To the Trustees of Muslim Charitable Foundation

#### Audit Opinion

In our opinion, the financial report of the Muslim Charitable Foundation is in accordance with:

- a. the Trust Deed dated the 25 March 2009, including:
  - i. giving a fair view of the foundation's financial position as at 30 June 2012 and of their performance for the year ended on that date; and
  - ii. complying with Accounting Standards in Australia.
- b. other mandatory professional reporting requirements in Australia.

**Jason O'Connor B.Com CPA**

Registered Company Auditor No. 353931

Liability limited by a scheme approved under Professional Standards Legislation

*Dated this                      day of                      2012.*

**Jason O'Connor B.Com CPA**

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