



ANNUAL REPORT 2010-2011

Volume 2

ABN 85 254 682 685
ARBN 135 823 880

FULL FINANCIAL REPORT 2010-2011





TABLE OF CONTENTS

Cover Image:
Mahboba at Hope House
Photo: Sanaz Fotouhi

MAHBOBA'S PROMISE INCORPORATED
ABN 85 254 682 685 ARBN 135 823 880

**ANNUAL REPORT
FOR THE YEAR ENDED
30 JUNE 2011**

CONTENTS

Management Committees' Report	1
Auditor's Independence Declaration under Section 307C of the Corporations Act 2001	4
Independent Auditors' Report	5
Management Committees' Declaration	7
Financial Report	
Statement of Comprehensive Income	8
Statement of Financial Position	9
Statement of Changes in Equity	10
Statement of Cash Flows	11
Notes to the Financial Statements	12
ACFID Financial Report	23
Independent Audit Report	28

The financial report covers Mahboba's Promise Incorporated as an individual entity. The financial report is presented in the Australian currency.



FULL FINANCIAL REPORT

MAHBOBA'S PROMISE INCORPORATED ABN 85 254 682 685 ARBN 135 823 880

MANAGEMENT COMMITTEE'S REPORT

Your Committee members submit the financial report of Mahboba's Promise Incorporated (the "Association") for the financial year ended 30 June 2011.

Committee Members

The names of committee members throughout the year and at the date of this report are:

Don Gough		
Doug Tribe		
Kris Needham		
Phillip Kerrigan	Resigned	13/12/2010
Sidiq Rawi		
Tania Melikian		
Greg Rich		
Anna Grutzner		
Mohammed Syed	Appointed	13/12/2010

Members of Committee Qualifications and Experience

NAME	EXPERIENCE	QUALIFICATION
Don Gough	Consultant in spoken communications	B. Com., Fellow of Australian Institute of Management
Doug Tribe	Retired Businessman	B. Eng
Kris Needham	Education consultant & Executive Coach	B. A., Dip. Ed., M. Ed, Doctor of Education
Mohammed Syed	Treasurer	MA. Accounting/Business, Dip. Computer Application
Sidiq Rawi	Executive Director – Afghan Operations	B. Land economics
Tania Melikian	Property & Facilities Manager	B. Economics, MBA
Greg Rich	CEO of a Management Company	B.A Hons, Certificate IV Training & Assessment
Anna Grutzner	Marketing Communications Consultant	



MAHBOBA'S PROMISE INCORPORATED
ABN 85 254 682 685 ARBN 135 823 880

MANAGEMENT COMMITTEE'S REPORT
(Continued)

Principal Activities

Mahboba's Promise Incorporated is a not-for-profit organisation which has authority from the Office of Charities for the NSW Office of Liquor, Gaming and Racing to raise funds for the welfare and development of widows and orphans primarily in Afghanistan. It raises funds through personal donations and sponsorships of widows and orphans and special events.

Significant Changes

No significant change in the nature of these activities occurred during the year.

Operating Result

The deficit from ordinary activities for the year ended 30 June 2011 amounted to \$137,784 (2010: surplus \$377,635).

Future Developments

The Association expects to maintain the present status and level of operations and hence there are no likely developments in the Association's operations.

After Balance Date Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations, or the state of affairs of the Association in future financial years.

Indemnification of Officers and Auditors

The Association holds indemnity insurance cover for members of the Management Committee.

Proceedings on Behalf of the Association

No person has applied for leave of Court to bring proceedings on behalf of the association or intervene in any proceedings to which the Association is a party for the purpose of taking responsibility on behalf of the association for all or any part of those proceedings.

The Association was not a party to any such proceedings during the year.

Environmental Regulations

The Association's operations are subject to various regulations under both Commonwealth and State legislation. The members of the Management Committee are not aware of any significant breaches of legislation during this financial year.



MAHBOBA'S PROMISE INCORPORATED
ABN 85 254 682 685 ARBN 135 823 880

MANAGEMENT COMMITTEE'S REPORT
(Continued)

Lead Auditor's Independence Declaration

The lead auditor's independence declaration is set out on page 4 and forms part of the Management Committees' report for the financial year ended 30 June 2011.

Signed in accordance with a resolution of the Members of the Committee



Committee Member

Don Gough - President
Sydney
Dated 09/03/2012



Committee Member

Mohammed Syed - Treasurer
Sydney
Dated 09/03/2012



The Management Committee
Mahboba's Promise
Suite 4, 1 Avon Rd, North Ryde
Sydney, NSW 2113

9 March 2012

Dear Committee Members

Auditor's Independence Declaration under section 307C of the Corporations Act 2001

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Mahboba's Promise.

As lead audit partner for the audit of the financial statements of Mahboba's Promise for the financial year ended 30 June 2011, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) any applicable code of professional conduct in relation to the audit.

Yours sincerely

Robert Mayberry
Partner

Nexia Court & Co.
Chartered Accountants





**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
MAHBOBA'S PROMISE INCORPORATED**

Report on the Financial Report

We have audited the accompanying financial report of Mahboba's Promise Incorporated which comprises the balance sheet as at 30 June 2011, and the income statement, statement of comprehensive income, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the declaration.

Management Committees' Responsibility for the Financial Report

The Members of the Management Committee of Mahboba's Promise Incorporated are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the Australian Council for International Development Code of Conduct Financial Standards, the *Associations Incorporation Act (NSW) 1984*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We 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 entity's preparation and fair presentation of the financial report 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 entity'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.

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



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
MAHBOBA'S PROMISE INCORPORATED (CONTINUED)**

Independence

In conducting our audit, we have complied with the independence requirements of the Associations Incorporations Act (NSW) 1984.

Qualification

Proceeds from donations and sponsorship are a significant source of revenue for the Association. The Association has determined that it is impracticable to establish control over the collection of donations and sponsorship prior to entry into its financial records. Accordingly, as the evidence available to us regarding revenue from this source was limited, our audit procedures with respect to donations and sponsorship had to be restricted to the amounts recorded in the financial records. We therefore are unable to express an opinion as to whether the donations and sponsorship revenue Mahboba's Promise Incorporated obtained are complete.

Qualified Audit Opinion

In our opinion, except for the effects on the financial report of such adjustments, if any, as might have been required had the limitation on our audit procedures referred to in the qualification paragraph not existed, the financial report presents fairly in accordance with applicable Accounting Standards, the Australian Council for International Development Code of Conduct Financial Standards and other mandatory professional reporting requirements the financial position of Mahboba's Promise Incorporated as at 30 June 2011 and the results of its operations and its cash flows for the year then ended.

Nexia Court & Co.

**Robert Mayberry
Partner**

Sydney
Date: 9 March 2012



MAHBoba'S PROMISE INCORPORATED
ABN 85 254 682 685 ARBN 135 823 880

**STATEMENT BY THE MEMBERS
OF THE MANAGEMENT COMMITTEE**

The Management Committee of Mahboba's Promise Incorporated declare that the General Purpose Financial Report set out on pages 8 to 20, is in accordance with the Associations Incorporation Act (NSW) 1984 and:

1. Complies with relevant Australian Accounting Standards as applicable; and
2. Presents a true and fair view of the financial position of Mahboba's Promise Incorporated at 30 June 2011 and its performance for the year ended on that date; and
3. At the date of this statement, there are reasonable grounds to believe that Mahboba's Promise Incorporated will be able to pay its debts as and when they fall due.

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



Committee Member

Don Gough - President
Sydney
Dated 9th March 2012



Committee Member

Mohammed Syed - Treasurer
Sydney
Dated 9th March 2012



MAHBOBA'S PROMISE INCORPORATED
ABN 85 254 682 685 ARBN 135 823 880

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2011

	Note	2011 \$	2010 \$
Revenues from continuing operations	4	1,042,595	994,867
Depreciation expenses		(3,754)	(3,014)
Other expenses from ordinary activities		(1,176,625)	(614,218)
(Deficit)/ Surplus for the year		(137,784)	377,635
Other Comprehensive Income			
Other Comprehensive Income		-	-
Total Comprehensive income		(137,784)	377,635

The above statement of comprehensive income should be read
in conjunction with the accompanying notes.



MAHBOBA'S PROMISE INCORPORATED
ABN 85 254 682 685 ARBN 135 823 880

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2011

		2011	2010
		\$	\$
CURRENT ASSETS	Note		
Cash & Cash Equivalents	6	625,417	743,386
Other Receivables	7	11,908	12,076
TOTAL CURRENT ASSETS		637,325	755,462
NON-CURRENT ASSETS			
Property, Plant & Equipment at Cost	8	23,856	22,226
Less: Accumulated Depreciation	8	(10,028)	(6,275)
TOTAL NON CURRENT ASSETS		13,828	15,951
TOTAL ASSETS		651,153	771,413
CURRENT LIABILITIES			
Creditors - Muslim Aid Australia		180,424	180,975
Other Creditors		10,608	5,589
Provisions	9	29,308	16,252
TOTAL CURRENT LIABILITIES		220,340	202,816
TOTAL LIABILITIES		220,340	202,816
NET ASSETS		430,813	568,597
EQUITY			
Retained Earnings		430,813	568,597
TOTAL EQUITY		430,813	568,597

The above statement of financial position should be read
in conjunction with the accompanying notes.



MAHBOBA'S PROMISE INCORPORATED
ABN 85 254 682 685 ARBN 135 823 880

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2011

	2011	2010
	\$	\$
TOTAL EQUITY AT THE BEGINNING OF THE FINANCIAL YEAR	568,597	190,962
Excess/(Deficit) of income over expenses	<u>(137,784)</u>	<u>377,635</u>
TOTAL EQUITY AT THE END OF THE FINANCIAL YEAR	<u>430,813</u>	<u>568,597</u>

The above statement of changes in equity should be read
in conjunction with the accompanying notes.



MAHBOBA'S PROMISE INCORPORATED
ABN 85 254 682 685 ARBN 135 823 880

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2011

	2011	2010
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from operations	1,016,937	1,078,179
Operating payments	(1,158,972)	(637,938)
Interest Received	25,825	13,345
Interest Paid	(130)	-
NET CASH FROM OPERATING ACTIVITIES	(116,340)	453,586
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for Property, Plant and Equipment	(1,629)	(12,000)
NET CASH USED IN INVESTING ACTIVITIES	(1,629)	(12,000)
Net increase in cash and cash equivalents	(117,969)	441,586
Cash at the beginning of the financial year	743,386	301,800
CASH AT THE END OF THE FINANCIAL YEAR	625,417	743,386

The above statement of cash flows should be read



in conjunction with the accompanying notes.
MAHBOBA'S PROMISE INCORPORATED
ABN 85 254 682 685 ARBN 135 823 880

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

1 REPORTING ENTITY

The Mahboba's Promise Incorporated (the "Association") is an Association domiciled in Australia. The address of the Association's registered office is Suite 4, 1 Avon Rd Road North Ryde, NSW 2113. The Association is a reporting entity.

2. BASIS OF PREPARATION

a Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards ('AASBs') (including Australian Interpretations) adopted by the Australian Accounting Standards Board ('AASB') and the Associations Incorporation Act (NSW) 1984. The financial report of the association also complies with the IFRSs and interpretations adopted by the International Accounting Standards Board.

b Basis of measurement

The financial report is prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: financial assets at fair value through profit or loss are measured at fair value.

c Functional and presentation currency

These financial statements are presented in Australian dollars, which is the Association's functional currency.

d Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

- Note 9 – employee benefits.



MAHBOBA'S PROMISE INCORPORATED
ABN 85 254 682 685 ARBN 135 823 880

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

3 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

a Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid.

Interest Revenue

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

Other Income

Income from other sources is recognised when the fee in respect of other products or services provided is receivable.

All revenue is stated net of the amount of goods and services tax (GST)

b Property, Plant and Equipment

The depreciable amount of non-current assets is depreciated over the useful lives of the assets commencing from the time the asset is held ready for use.

c Depreciation

Depreciation is provided on property, plant and equipment. Depreciation is calculated on a straight line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life. The following estimated useful lives are used in the calculation of depreciation:

- Plant & Equipment 5 years (20%)
- Motor Vehicle 8 years (12.5%)

d Employee Entitlements

Provision is made for the Associations' liability for employee entitlements arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been merged with the amounts expected to be paid when the liability is settled. There are no employee provisions payable later than one year.

e Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.



MAHBOBA'S PROMISE INCORPORATED
ABN 85 254 682 685 ARBN 135 823 880

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

Cash flows are presented in the Cash Flow Statement on a gross basis, except for the GST component of investing and financing activities, which are as operating cash flows.

f Income Tax

Mahboba's Promise Incorporated is authorised to raise funds in all the major states of Australia. As a not-for-profit fundraising organisation, Mahboba's Promise Incorporated self-assess annually and have assessed that the Association is exempt status for income tax purposes.

g Retained Profits

Retained profits are maintained for the purpose of investing in future projects and are to be used solely to promote the objectives of the Association as set out in the Constitution.

h Date of Incorporation

Mahboba's Promise Incorporated was incorporated by virtue of Associations Incorporation Act 1984 (NSW).

The Association was incorporated on 21 December 2001.

4 REVENUE, OTHER INCOME AND EXPENSES

(a) Revenue

The net surplus for the year has been determined after including:

	2011	2010
	\$	\$
Donations and appeals	530,128	387,696
Sponsorship	364,218	352,087
Funds for Permaculture	2,050	124,801
Other	120,374	116,938
Interest	25,825	13,345
	1,042,595	994,867

Mahboba's Promise Incorporated operates to provide assistance to the widows and children of Afghanistan through development and welfare projects.

The sponsorship program is the most significant fundraising activity. Donors apply to sponsor a widow or child and agree to remit a monthly amount of \$50 for a widow and \$35 for a child on a periodic basis, either monthly or annually. Sponsorship is used for individual and community development.



MAHBOBA'S PROMISE INCORPORATED
ABN 85 254 682 685 ARBN 135 823 880

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

4 REVENUE, OTHER INCOME AND EXPENSES (Continued)

(b) Expenses

	2011	2010
	\$	\$
Depreciation	3,754	3,014
Auditors Remuneration	6,527	6,350
Employee expenses		
Wages	149,731	124,280
Superannuation	15,059	11,185

5 SEGMENT REPORTING

All revenue is raised within Australia, and with the exception of administration costs, all funds are expended in Afghanistan.

6 CASH AND CASH EQUIVALENTS

Cash at bank and in hand	526,417	644,386
Short term deposits	99,000	99,000
	<u>625,417</u>	<u>743,386</u>

7 OTHER RECEIVABLES

Prepayments	2,097	2,097
GST receivable /(Payable)	1,293	1,459
Other	8,518	8,520
Carrying amount at End of Year	<u>11,908</u>	<u>12,076</u>



MAHBOBA'S PROMISE INCORPORATED
ABN 85 254 682 685 ARBN 135 823 880

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

8 PROPERTY, PLANT AND EQUIPMENT

	2011	2010
	\$	\$
Non-Current		
Plant and Equipment – at cost	11,856	10,226
Less: Accumulated Depreciation	<u>(8,028)</u>	<u>(5,275)</u>
	3,828	4,951
Motor Vehicle - at Cost	12,000	12,000
Less : Accumulated Depreciation	<u>(2,000)</u>	<u>(1,000)</u>
	<u>10,000</u>	<u>11,000</u>
	<u>13,828</u>	<u>15,951</u>

Reconciliations

Reconciliations of the carrying amounts for each class of plant and equipment are set out below:

Plant and Equipment – at Cost

Carrying amount at Beginning of Year	4,951	6,965
Additions	1,630	-
Depreciation	(2,753)	(2,014)
Disposals	-	-
Write-back of accumulated depreciation	-	-
Carrying amount at End of Year	<u>3,828</u>	<u>4,951</u>

Motor Vehicle at Cost

Carrying amount at the beginning of the year	11,000	-
Additions	-	12,000
Disposals	-	-
Depreciation	(1,000)	(1,000)
Write-back of accumulated depreciation	-	-
Carrying Amount at End of Year	<u>10,000</u>	<u>11,000</u>
Total	<u>13,828</u>	<u>15,951</u>



MAHBOBA'S PROMISE INCORPORATED
ABN 85 254 682 685 ARBN 135 823 880

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

9 EMPLOYEE BENEFITS

Employee benefits – Annual leave	29,308	16,252
----------------------------------	--------	--------

10 NOTES TO STATEMENT OF CASH FLOWS

a.

RECONCILIATION OF CASH

For the purpose of the Statement of Cash Flows, cash includes cash at bank and investments in money market instruments, net of outstanding the end of the financial year as shown in the Statement of Cash related items in the balance sheet as follows:

	2011 \$	2010 \$
Cash at Bank	526,417	644,386
Fixed interest securities	99,000	99,000
	<u>625,417</u>	<u>743,386</u>

b. RECONCILIATION OF CASH-FLOW FROM OPERATIONS WITH PROFIT

	2011 \$	2010 \$
RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES		
Operating (Deficit)/Surplus	(137,784)	377,635
Depreciation	3,754	3,014
Prior year adjustment	-	-
Loss on disposal of fixed assets	-	-
CHANGES IN OPERATING ASSETS AND LIABILITIES		
Change in Receivables	168	(1,359)
Change in Other assets	-	(7,354)
Change in Creditors	3,482	81,026
Change in Provisions	13,056	5,562
Change in Other liabilities	984	(4,938)
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	<u>(116,340)</u>	<u>453,586</u>



MAHBOBA'S PROMISE INCORPORATED
ABN 85 254 682 685 ARBN 135 823 880

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

11 FINANCIAL INSTRUMENTS

The association's financial instruments comprise cash and cash equivalents. The main risks arising from the financial instruments are interest rate, liquidity risk and credit risk. The association does not hold financial instruments denominated in foreign currencies and does not use derivative instruments to manage risks associated with its financial instruments.

The association's policies for managing each of these risks are summarised below. The policies are subject to Board approval and are reviewed regularly.

Interest rate risk

The association is exposed to interest rate fluctuations on its cash at bank and cash on deposit and on fixed interest securities. It does not have a material risk in relation to its interest bearing loans. The association actively monitors interest rates for cash at bank and on deposits to maximise interest income. The association accepts the risk in relation to fixed interest securities as they are held to generate income on surplus funds.

30 June 2011

Interest rate risk	Effective Interest rate	6 months or less	6-12 months	1-2 years	2-5 years	Total
Financial Assets						
Cash	6%	480,105	-	-	-	480,105
Fixed interest securities	5.8%	99,000	-	-	-	99,000

30 June 2010

Interest rate risk	Effective Interest rate	6 months or less	6-12 months	1-2 years	2-5 years	Total
Financial Assets						
Cash	6%	644,386	-	-	-	644,386
Fixed interest securities	4.5%	99,000	-	-	-	99,000



MAHBOBA'S PROMISE INCORPORATED
ABN 85 254 682 685 ARBN 135 823 880

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

11 FINANCIAL INSTRUMENTS (Continued)

Liquidity risk

The association manages liquidity risk by monitoring forecast cash flows and ensuring that adequate liquid funds are maintained.

Credit risk

The association is exposed to counterparty risk in respect of funds deposited with banks and other financial institutions. Funds are deposited only with those banks and financial institutions approved by the association. At the reporting date, the association does not have any material credit risk exposures to any single receivable or group of receivables or any bank or financial institution.

Fair values

Carrying amounts of financial assets recorded in the financial statements represent their net fair values.

12 EVENTS AFTER THE BALANCE DATE

At the date of this Report, there are no matters or circumstances which have arisen since the 30 June 2011 which have significantly affected or may significantly affect:

- i the operations of the Association;
- ii the results of those operations; or
- iii the state of affairs of the Association



MAHBOBA'S PROMISE INCORPORATED
ABN 85 254 682 685 ARBN 135 823 880

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

13 RELATED PARTY TRANSACTIONS

a Directors

The names of each Member of the Management Committee of Mahboba's Promise Incorporated during the financial year are:

Don Gough
Doug Tribe
Kris Needham
Tania Melikian
Greg Rich

Phillip Kerrigan
Ronja Elmaarraoui
Sidiq Rawi
Anna Grutzner
Mohammed Syed

b Key Management Personnel Compensation

Key management personnel compensation for the financial year ended 30 June 2011 is set out below. The key management personnel are all the Members of the Management Committee and the executives with the greatest authority for the strategic direction and management of the Association and the Patron of the Association.

	2011	2010
	\$	\$
Short-term benefits	<u>48,040</u>	<u>55,300</u>



MAHBOBA'S PROMISE INCORPORATED
ABN 85 254 682 685 ARBN 135 823 880

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

ADDITIONAL INFORMATION

The attached detailed Income Statement in respect of Mahboba's Promise Incorporated for the year ended 30 June 2011, has been prepared from accounting and other records of Mahboba's Promise Incorporated and have been subjected to the tests and other auditing procedures applied in our examination of the financial statements for the year ended 30 June 2011.

The Detailed Income Statement does not form part of the financial report in respect of the year ended 30 June 2011 referred to in our report to members and accordingly we do not express an audit opinion thereon.

Nexia Court & Co
Chartered Accountants

Robert Mayberry
Partner

Sydney
Dated: 9 March 2012



MAHBOBA'S PROMISE INCORPORATED
ABN 85 254 682 685 ARBN 135 823 880

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2011

	2011	2010
	\$	\$
Income from ordinary activities		
Income from Donations	1,016,770	981,522
Other - Bank Interest	<u>25,825</u>	<u>13,345</u>
Total Income from ordinary activity	<u>1,042,595</u>	<u>994,867</u>
Donations Applied		
Afghanistan	<u>857,645</u>	<u>420,485</u>
Total Donations Applied	<u>857,645</u>	<u>420,485</u>
Expenses from Ordinary activities		
Audit Fees	6,527	6,350
Bank Charges	8,198	9,901
Depreciation Expenses	3,754	3,014
Electricity	3,611	1,412
Insurances	2,838	3,447
Travel	8,266	39
Mahboba's Book Purchases	3,177	6,081
Miscellaneous	77,022	20,600
Office Maintenance	115	756
Postage	4,409	3,041
Printing & Stationery	3,653	1,537
Telephone/Fax	6,025	3,872
Volunteer Expenses	10,607	3,610
Website Hosting/Computer Costs	6,685	3,246
Employee Expenses	164,790	124,280
Annual Leave Expense	<u>13,057</u>	<u>5,561</u>
Total expenses from ordinary activities	<u>322,734</u>	<u>196,747</u>
Net Surplus/(Deficit) Income	<u>(137,784)</u>	<u>377,635</u>



MAHBOBA'S PROMISE INCORPORATED
ABN 85 254 682 685 ARBN 135 823 880

ACFID FORMATTED INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011
(Statement of Financial Performance)

	2011	2010
	\$	\$
REVENUE		
Donations & Gifts -		
Monetary	758,080	896,290
Non-Monetary	0	0
Grants		
AusAID	0	0
Other Australian	160,000	85,232
Other Overseas	0	0
Investment Income	25,825	13,345
Other Income	30,186	0
Revenue for Welfare Programs	68,504	0
Total Revenue	1,042,595	994,867
EXPENDITURE		
International Aid and Development Programs Expenditure		
International programs		
Funds to international programs - development	818,041	292,036
Program support costs	112,345	11,166
Community education	7,762	1,040
Fundraising costs		
Public	98,133	27,735
Government, multilateral and private	23,248	0
Accountability and Administration	40,084	196,747
Non-Monetary Expenditure	0	0
Total International Aid and Development Programs Expenditure	1,099,613	528,724
Expenditure for Welfare Programs	80,767	88,508
Total Expenditure	1,180,380	617,232
Excess/(Shortfall) of revenue over expenditure	-137,784	377,635



MAHBOBA'S PROMISE INCORPORATED
ABN 85 254 682 685 ARBN 135 823 880

ACFID FORMATTED BALANCE SHEET
AS AT 30 JUNE 2011
(Statement of Financial Position)

	2011	2010
	\$	\$
ASSETS		
Current Assets		
Cash and cash equivalents	625,417	743,386
Trade and other receivables	0	0
Inventories	0	0
Assets held for sale	0	0
Other financial assets	11,908	12,076
Total Current Assets	<u>637,325</u>	<u>755,462</u>
Non Current Assets		
Trade and other receivables	0	0
Other financial assets	0	0
Property, plant and equipment	13,828	15,951
Investment property	0	0
Intangibles	0	0
Other non-current assets	0	0
Total Non Current Assets	<u>13,828</u>	<u>15,951</u>
TOTAL ASSETS	<u><u>651,153</u></u>	<u><u>771,413</u></u>

(Continued on page 25)



MAHBOBA'S PROMISE INCORPORATED
ABN 85 254 682 685 ARBN 135 823 880

ACFID FORMATTED BALANCE SHEET
AS AT 30 JUNE 2011 (Continued)
(Statement of Financial Position)

	2011	2010
	\$	\$
LIABILITIES		
Current Liabilities		
Trade and other payables	191,032	186,564
Borrowings	0	0
Current tax liabilities	0	0
Other financial liabilities	0	0
Provisions	29,308	16,252
Other	0	0
Total Current Liabilities	220,340	202,816
Non Current Liabilities		
Borrowings	0	0
Other financial liabilities	0	0
Provisions	0	0
Other	0	0
Total Non Current Liabilities	0	0
TOTAL LIABILITIES	220,340	202,816
NET ASSETS	430,813	568,597
EQUITY		
Reserves	(137,784)	377,635
Retained Earnings	568,597	190,962
TOTAL EQUITY	430,813	568,597



MAHBOBA'S PROMISE INCORPORATED
ABN 85 254 682 685 ARBN 135 823 880

ACFID FORMATTED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2011

	Retained Earnings \$	Reserves \$	Total \$
BALANCE AT 1 JULY 2010	568,597	0	568,597
Excess of revenue over expenses	(137,784)	0	(137,784)
BALANCE AT 30 JUNE 2011	<u>430,813</u>	<u>0</u>	<u>430,813</u>



MAHBOBA'S PROMISE INCORPORATED
ABN 85 254 682 685 ARBN 135 823 880

ACFID FORMATTED TABLE OF CASH MOVEMENTS FOR DESIGNATED PURPOSES
FOR THE YEAR ENDED 30 JUNE 2011

	Cash available at beginning of year	Cash raised during year	Cash Disbursed during year	Cash available end of year
Designated Purpose or Appeal				
<i>Takhar Community Centre</i>	0	104,547	104,547	0
Designated Purpose or Appeal				
<i>Dick Smith PV Education Centre</i>	0	112,000	100,000	12,000
Total for Other Non-Designated Purposes	743,386	826,215	956,184	613,417
TOTAL	743,386	1,042,762	1,160,731	625,417

The Summary Financial Report has been prepared in accordance with the requirements set out in the ACFID Code of Conduct. For further information on the Code please refer to the ACFID Code of Conduct Implementation Guidance available at www.acfid.asn.au.



INDEPENDENT AUDIT REPORT

To the members of Mahbobas's Promise Incorporated

SCOPE

We have audited the summarised financial report of Mahbobas's Promise Incorporated on pages 23 to 26 for the year ended 30 June 2011 in accordance with Australian Auditing Standards.

AUDIT OPINION

In our opinion, the information reported in the summarised financial report is consistent with the annual statutory financial report from which it is derived and upon which we expressed our audit opinion in our report to the members dated 9 March 2012. For a better understanding of the scope of our audit this report should be read in conjunction with our audit report on the annual statutory financial report.

Nexia Court & Co
Chartered Accountants

Robert Mayberry
Partner

Sydney

Dated: 9 March 2012



Unlimited Liability by a scheme approved under professional standards legislation.
Nexia Court & Co (ABN 71 502 196 733) is an Independent New South Wales partnership and a member of Nexia International,
a worldwide network of independent accounting and consulting firms. Nexia International provides no services to clients.

Level 29, 264 George Street
Sydney, NSW 2000
P.O. Box 11195
Australia Square NSW 1215
Telephone: 61 2 9251 4600
Fax: 61 2 9251 7138

info@nxiacourt.com.au
www.nxiacourt.com.au



This page has been left intentionally blank





Preparing the demonstration no dig garden at the Permaculture Project

Sponsors thank you

We would like to thank our corporate sponsors
Bio-Distributors: Biodynamic & Organic Wholesalers of
Tasmania www.biodistributors.com.au



Mahboba's Promise Inc. Australia

PO Box 6234, North Ryde NSW 2113

Telephone: +612 9887 1665

Email: office@mahbobaspromise.org

web: www.mahbobaspromise.org

Contact: Mahboba Rawi

ABN 85 254 682 685

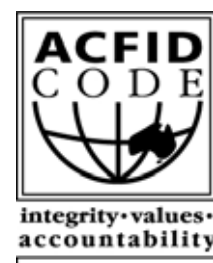
Deductible Gift Recipient Status:

Monetary donations of \$2 or more to Mahboba's Promise related to our development programmes can now be directly claimed as tax deductions with the Australian Taxation Office.

ACFID Code of Conduct:

Mahboba's Promise Inc is a signatory to the Australian Council for International Development (ACFID) Code of Conduct which defines minimum standards of governance, management and accountability for non-government development organisations. Adherence to the Code is monitored by an Independent Code of Conduct Committee elected from the NGO community. Our voluntary adherence to the Code of Conduct demonstrates our commitment to ethical practice and public accountability.

More information on the Code can be obtained from ACFID by visiting www.acfid.asn.au or emailing code@acfid.asn.au.



Afghan NGO Status:

Our implementing partner in Afghanistan Mahboba's Promise NGO is an observer member of the Agency Coordinating Body for Afghan Relief (ACBAR)



