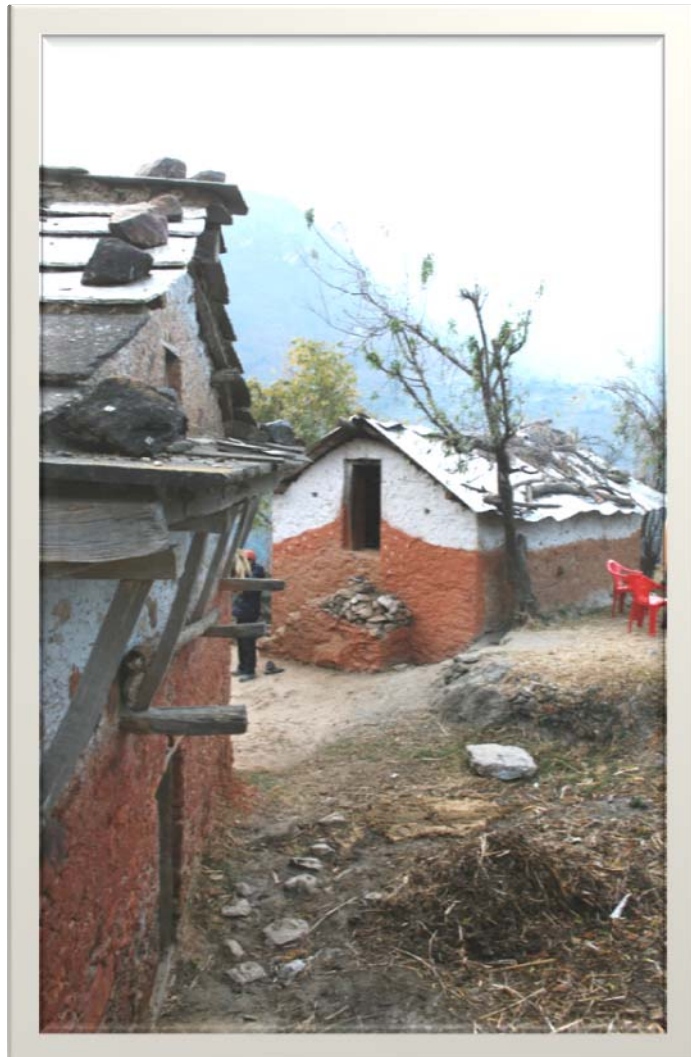




# Annual Report 2009





# Annual Report 2009

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### **AID/WATCH INC.**

ABN: 97 491 078 647 Charitable Reg No: 17671 Registered Assn No: Y1724231

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# About AID/WATCH

## Our purpose

AID/WATCH is an independent membership-based watchdog on aid, trade and debt, working with communities in the Global South. We challenge practices which undermine the ability of communities to determine their own futures, and promote development alternatives based on social and environmental justice. We research and evaluate development policies and practices, and we campaign around these issues as part of the global justice movement.

## Our vision

A thriving global justice movement, based on mutual solidarity, and on social and environmental justice. A world free from structural inequalities, where people can determine their own futures within a global framework of mutual respect for the environment and for one another. A world where trade, aid and debt no longer exploit peoples, but instead promote environmental and social justice.

## Our values

*We believe in solidarity not charity*

We are committed to global justice and equality. We campaign as much for our futures as for the futures of others. We are respectful of the different approaches and views of others in the movement for global justice. We acknowledge and aim to strengthen the power and agency of communities.

*We are independent and fearless*

We are a member-based organization. We do not take funds from governments or corporations. We respect diversity of ideas. We are free to make critical comment and are uncompromising in advocating for social and environmental justice. We are principled and where necessary pugnacious. We are never afraid to say what we think.

*We are informed and transformative*

Our campaigns are grounded in experience and our research is thorough and constructive. We believe in building alternative futures, founded on experience and on community-level capacity. In this respect we are innovative and creative.

*We are activist and movement-based*

We are a member-driven activist organization, working as part of the wider global justice movement. Our campaigns provoke public debate to generate engagement with development issues, and to inspire public participation in efforts to transform development policies and practices.

## AID/WATCH Chair Report

2009 was a full and exciting year for AID/WATCH. We strengthened relationships with partner organisations in the Pacific, deepened our research into ways the Australian government may use aid as a bargaining chip in trade negotiations and built our membership and activist base.

In 2009, AID/WATCH turned our strategic focus onto analysing the impact of Australian aid and development programs in the Pacific islands region. The Pacific includes some of the largest recipients of aid from the Australian government.

The '*Land is Life*' campaign saw AID/WATCH working closely with local communities in Melanesia to support their right to protect customary land from harmful development projects and land tenure reforms. A highlight of the year for AID/WATCH was being involved in the establishment of a new regional network, the Melanesian Indigenous Land Defence Alliance (MILDA). We are pleased to report that we have secured ongoing funding to continue working with MILDA on land reform issues in the Pacific.

Another key campaign for the year was AID/WATCH's work on monitoring and exposing any attempt by the Australian government to use 'aid for trade' to influence the negotiations of the proposed free trade agreement (known as PACER-Plus) between Australia, New Zealand and the Pacific island countries. The Pacific Trade Justice tour succeeded in bringing voices from the Pacific into the domestic debate in Australia, as well as facilitating links between activists in the Pacific and in Australia. Well done to Gary and the AID/WATCH campaigns collective for organising this tour and thank you to Maureen Penjueli from Fiji and John Salong from Vanuatu for being a part of it.

AID/WATCH's ongoing struggle to maintain our charitable tax status were intensified in 2009, following a judgement by the Full Federal Court confirming the Australian Tax Office's (ATO) 2006 decision to remove AID/WATCH's charitable status. In the latter half of the year, AID/WATCH sought and won special leave to appeal the decision to the High Court. We are now awaiting the High Court judgement. This case has become a test case for the charitable sector and will have implications for the ability of charities to speak freely about government policy.

AID/WATCH is an organisation that punches above its weight and is only able to do so because of our excellent staff – Azadeh (Ozzie) Etminan, Lara Daley and Gary Lee – and the energy, ideas and many hours of work that volunteers and members give to the organisation. I would like to thank and acknowledge the AID/WATCH campaigns collective which really gained momentum in 2009 and the Committee of Management members for their ongoing commitment to AID/WATCH.

May 2010 see AID/WATCH engaging even more people in our vision of a world where aid, trade and debt no longer exploit peoples, but instead promote environmental and social justice.

Jemma Bailey  
Chair

## AID/WATCH Campaigner's Report

Much of AID/WATCH's work in 2009 was focused on the Pacific islands region. The highlight of yet another busy year for AID/WATCH was our work with partner organisations in the region. 2009 saw the development of exciting civil society initiatives, including the establishment of the Melanesian Indigenous Land Defence Alliance (MILDA) – a regional network that supports and coordinates community efforts to maintain control over their land. AID/WATCH continues to collaborate closely with MILDA to increase awareness about the importance of customary land tenure systems, and expose the threats posed by misguided land tenure reforms being pushed by Pacific governments, development agencies and commercial interests.

Pacific civil society organisations have also been vocal in highlighting their concerns around PACER-Plus, a proposed free trade agreement between Australia, New Zealand and Pacific island countries. In November AID/WATCH organised a Pacific Trade Justice Speaking tour, which provided a platform for two leading trade justice activists from the Pacific to communicate their concerns to – and engage in dialogue with – Australian NGOs, academics, decision-makers and the broader public on PACER-Plus.

Within the organisation, 2009 saw the AID/WATCH campaigns collective play an increasingly active role in supporting and coordinating AID/WATCH research and campaign activities, including the organisation of outreach events, production of fact sheets and case studies.

A big thank you to the many volunteers, members and activists who gave their support to AID/WATCH's work and campaigns this year. I am looking forward to continuing this momentum in 2010.

Gary Lee  
Co-Director



## AID/WATCH Fundraising Report

Financial support from members and donors is still strong at AID/WATCH with \$46 807 raised through our supporters, representing around 45 percent of our income as at 31 December 2009. These general funds came from a combination of appeals, the promotion of our regular giving program, speaking and fundraising events, and from our various campaign events. While the result of these activities is a drop from last year, it is still a considerable achievement given the ongoing effects of the global financial crisis.

Grants received amounted to a total of \$91 623 – this being from the generous commitments of The Christensen Fund and the Isvara Grant.

AID/WATCH established the Action Aid for Justice (AAJ) program as a non-tax deductible donation program in order to ensure our advocacy work has sustainable funding at a time where the role of charities as advocates for social change is being politically contested.

It is significant to note that our supporters embraced the opportunity to choose a non-tax-deductible option for their donations to AID/WATCH – represented by the fact that both options produced similar amounts of income for the organisation. The amount given to the AAJ program was \$20 715.

Tax-deductible donations to the AID/WATCH Fund continue, as they always have, to fund our research, education and other public awareness campaigning to monitor and analyse the impacts of aid and development on the lives, land and livelihoods of recipient communities. The balance of donations with tax-deductible status was \$20 513.

### *Members and Supporters*

AID/WATCH sincerely thanks all our sponsors, members and friends who inspire and sustain us with their commitment to our shared cause. Their dedicated support means we can continue our work in practical ways but also with increased optimism and resolve.

### *Have you thought about leaving a bequest to AID/WATCH?*

Leaving a bequest in your Will means your values can live on in work you believe in. It also makes a sustainable contribution to strengthen our long-term ability to plan and achieve change. If you would like to know more please get in touch with us so we can help you in a confidential way. Write to [info@aidwatch.org.au](mailto:info@aidwatch.org.au) or call us on (02) 9557 8644.

Mandy Lamkin  
Co-Director

## **People & Partners**

### **Staff in 2009**

Flint Duxfield  
Azadeh Ozzie Etminan  
Lara Daley  
Gary Lee

### **Committee of Management**

The Committee of Management (CoM) is elected from the AID/WATCH membership. Throughout the course of 2009, the following members gave generously of their time by serving on the CoM:

Dr Tim Anderson  
Dr James Arvanitakis  
Jemma Bailey  
Kylie Benton-Connell  
Pooja Chowdhary  
Dr James Goodman  
Hannah Hancock  
Pia Harkness  
Dr Duncan McDuie-Ra  
David McGill  
Zoe Roberts  
Jesse Wynhausen  
Adam Wolfenden

Our thanks go to all of them for their leadership, energy, dedication and involvement.

### **Volunteers and Interns**

Volunteers' efforts are the backbone of AID/WATCH, and we cannot thank enough all those who gave so generously of their time and effort. A special thank you to Mary Ann Hudson for generously sharing her time and design skills. We'd also like to thank Lisa Arnold, Primrose, Gareth Bryant, Nicholas Crofts, Hannah Hancock, Octavia Davidson, Angus, Primrose, Grace Vining, Sam Porter, Matthew Dmitrieff, and many more for their contribution to the campaigns collective.

### **Partners**

AID/WATCH extends a very special thanks to our funding partners, The Christensen Fund, Isvara Foundation and The Search Foundation for their support and collaboration.

## 2009 Campaigns

### Aiding Climate Justice

In February 2009 AID/WATCH ran workshops at the first National Climate Summit in Canberra centred on climate justice: Management Committee members Jemma Bailey and Adam Wolfenden and campaigner Lara Daley facilitated the discussions, which helped bring national activists together around the climate justice debate. Following the Summit, we worked closely with Friends of the Earth Australia to focus on the impacts of market mechanisms in climate policy, with a particular focus on the impact of offset credits in low-income countries. Follow-up meetings were held through 2009, through a national climate justice network, with a focus on the Government's proposed Carbon Pollution Reduction Scheme; in July for instance, AID/WATCH was a co-sponsor of the national climate emergency rally.

In March 2009 AID/WATCH was invited to a key conference bringing together the growing climate justice movement across Asia. The conference, *Building the People's Movement on Climate Change: Towards COP 15 and Beyond*, was held in Bangkok, and Management Committee member Adam Wolfenden attended, presenting a paper on EU-Asia Free Trade Agreements and climate change. The conference was part of a wider regional initiative for a *Peoples Protocol on Climate Change* that AID/WATCH helped initiate in 2007. The paper was the product of research conducted by with Committee member James Goodman for the Asia Pacific Research Network, completed in 2008. Connections established at the Bangkok conference have continued to play an important role in our developing campaigns.

From mid-2009 AID/WATCH began researching the use of Australian aid as 'climate aid,' and specifically the use of aid to secure UN endorsement of climate offsets for reduced deforestation under the program for 'Reducing Emissions from Deforestation and Degradation' (REDD). AID/WATCH argued that the aid program should not be used to finance a diplomatic initiative directed at securing cheap offsets for Australian companies. Working with partner organisations in Indonesia, and with Friends of the Earth Australia (FoEA), we wrote a substantial report on the issue. Titled *What a scam! Australian REDD Offsets for Copenhagen*, and co-authored by James Goodman from AID/WATCH and Ellen Roberts from FoEA, the report was released in November to coincide with UN climate negotiations in Copenhagen. AID/WATCH co-organised a lunchtime demonstration at the Prime Minister's office in Sydney to protest at the REDD proposals, with about eighty people attending, in parallel with a similar demonstration outside the Australian Embassy in Jakarta. The 'What a Scam' report was later rewritten for *Reality of Aid 2010*, a collection published every two years by the Reality of Aid network.

We anticipate that our work on climate justice will strengthen into 2010, with a major collaborative project monitoring and assessing climate aid in the region in partnership with campaign research NGOs from the Asia Pacific Research Network.

## Land is Life

Working with communities and local organisations to protect customary land tenure systems has been a key focus of AID/WATCH's work over many years. As aid agencies such as AusAID press on with their land tenure reform programs in Pacific island countries, local communities and organisations have increasingly raised their voices in defence of customary land. AID/WATCH has been collaborating closely with local organisations in Melanesia to support the right of communities to protect their land and local environments from harmful development projects and policies. The 'Land is Life' campaign was a key focus of AID/WATCH's work in 2009.

### **Briefing Paper: Hijacking development futures**

In March, AID/WATCH campaigner Lara Daley went to Vanuatu on a research trip to speak directly with Ni-Vanuatu working on land rights at the community and national level. The research was published as a briefing paper, *Hijacking Development Futures: "Land development" and reform in Vanuatu*, which provides an overview of the land situation from pre-independence to the present. The paper highlights how Australian interests and aid relationships are often in opposition to the needs and aspirations of the majority of Vanuatu's indigenous peoples and risk hijacking their development futures.

### **Collaborating with MILDA**

2009 was an exciting year for the defence of land rights in Melanesia with the formation of the Melanesian Indigenous Land Defence Alliance (MILDA), following a meeting in Madang, PNG in June. AID/WATCH's Lara Daley and Dr Tim Anderson participated in the inaugural meeting of MILDA, and presented updates and analysis on AusAID's Pacific Land Program, including a critique of AusAID's 'Making Land Work' document, which is said to inform AusAID's land program.

AID/WATCH has been working in close collaboration with MILDA since its formation, including the collaborative production of outreach materials that highlight the importance of customary land to the lives and livelihoods of people in Melanesia. AID/WATCH will continue to work closely with MILDA to prevent the imposition of unwanted land reforms that threaten the livelihoods and cultures of Melanesian peoples.

### **Photo Exhibition**

In June, AID/WATCH campaigns collective organised a photographic exhibition in Sydney, featuring prints from PNG and Vanuatu that highlighted customary uses of land, as well as major threats to community control of land, such as large-scale oil palm plantations in PNG and land sales for luxury tourism and residential estates in Vanuatu. The exhibition was opened with a discussion on land and culture by Kirk Huffman, Honorary Curator at the Vanuatu Cultural Centre, Honorary Associate of the Macleay Museum, University of Sydney, and Research Associate at the Australian Museum, Sydney.

Members of the campaigns collective also produced a range of fact sheets on land tenure reform, which continue to be used as part of AID/WATCH's outreach campaign.

### **Video: Defending Melanesian Land**

In collaboration with MILDA, AID/WATCH's Tim Anderson produced a short video, 'Defending Melanesian land', in which Melanesian activists explain why customary land is important to them, and why they have formed a regional alliance – MILDA – to defend indigenous Melanesian land. In November, AID/WATCH campaigns collective organised the premiere screening of 'Defending Melanesian Land', which was attended by about 40 people. Since then, the video has been printed onto DVD and distributed to various organisations in Australia and the Pacific region.

## **Aid for Trade/PACER-Plus**

In 2009, Australian government stepped up its efforts to pressure Pacific island governments into a regional trade agreement, known as PACER-Plus. PACER-Plus is envisaged as a comprehensive agreement that seeks to liberalise trade in goods, services and investment, as well as improve trade and investment facilitation and economic cooperation measures. Requiring reciprocal liberalisation of trade with their largest regional neighbours (Australia and New Zealand), PACER Plus is likely to have wide-ranging and lasting implications for Pacific Island economies and communities.

Pacific Island governments and civil society organisations have expressed concerns over PACER-Plus because of the potential adverse impacts of the agreement (e.g. significant losses in government revenue, undermining of public services, business closures and loss of policy space), and because of the inadequate process by which PACER-Plus negotiations has been moved forward to date (e.g. insufficient national consultations, research, and negotiating capacity).

AID/WATCH has been working with organisations in the Pacific and Australia to raise awareness of the potential impacts of PACER-Plus and expose how Australian aid for trade initiatives are being used to push for greater trade liberalisation in the region.

A key campaign activity for 2009 was the organisation of a Pacific Trade Justice Speaking Tour. AID/WATCH travelled around the east coast of Australia with two leading trade justice activists from the Pacific, Maureen Penjueli (PANG, Fiji) and John Salong (VANWODS, Vanuatu) to highlight concerns around the potential implications of PACER-Plus on Pacific island communities and economies. The week-long tour included public forums and media interviews to raise awareness of PACER-Plus; meetings with trade unions, church groups and NGOs to discuss ideas for future collaborations around PACER-Plus; and meetings with AusAID, Department of Foreign Affairs and Trade (DFAT), and Mr. Bob McMullan, Parliamentary Secretary for International Development Assistance to engage in dialogue with Australian government officials involved in PACER-Plus negotiations.

AID/WATCH has also been active in the Australian Civil Society Network on Pacific Trade, which links trade unions, churches and NGOs. AID/WATCH staff and Committee members participated in a two-day workshop convened by the network, which brought together key groups in Australia that have an interest in trade and development policy in the Pacific to discuss among other things advocacy around PACER-Plus.

Following on from the workshop AID/WATCH contributed to the production of campaign materials and made a submission to Department of Foreign Affairs and Trade, highlighting the risks associated with PACER-Plus.

AID/WATCH will continue to monitor PACER-Plus negotiations closely and work with organisations in the Pacific and Australia to amplify the voices of Pacific island communities and expose the Australian government's use of 'aid for trade' deals to push neoliberal reforms onto Pacific island countries.

## Community Education and Events

Throughout the year we have ensured that community education remains integral to our work. It is vital that the Australian public be informed of the impact of Australian aid and participates in holding our government to account on aid spending.

In February, AID/WATCH staff and Committee members facilitated workshops on climate justice at the National Climate Summit in Canberra.

In March, AID/WATCH and AFTINET co-hosted a teach-in *Economics for Ordinary Folk*, aimed at skilling up participants on economics and the impact of neoliberal policies on communities and their environments.

In June, AID/WATCH campaigns collective coordinated a photographic exhibition exploring people's relationship to land in Melanesia and showcasing AID/WATCH's ongoing work in this important area. The collective also organised premiere screening of 'Defending Melanesian Land' in Sydney, which has since been shown in other cities around Australia.

In October, AID/WATCH Committee members spoke about the effectiveness of Australian aid at a UNSW forum during Anti-Poverty week.

A major campaign activity in 2009 was the Pacific Trade Justice Speaking Tour, which saw AID/WATCH travelling the east coast of Australia with two leading trade justice activist from the Pacific, Maureen Penjueli (PANG, Fiji) and John Salong (VANWODS, Vanuatu) (see above).

Furthermore, we have delivered our message around Australia through a diverse array of media including Sydney Morning Herald, The Age, Australian Financial Review, ABC Radio Australia, 2SER Sydney, 3CR Melbourne and others.

Finally, we always enjoy letting our hair down with our members and friends at our fundraising events, particularly our annual trivia night. As always these events offer a unique opportunity for us to catch up with our members and networks.



## International Campaigns and Networks

In 2009, AID/WATCH participated in a number of international networks and campaigns. This comprises part of our focus on building and reinforcing partnerships with activists, communities and civil society groups from around the Asia Pacific region and internationally. Australian and international networks that AID/WATCH worked with in 2009, include:

**APRN:** The Asia Pacific Research Network (APRN) comprises 37 leading research organisations in 17 countries in the Asia-Pacific region, and is still growing. Members of the network produce research supporting the need for information, education and advocacy of grassroots organisations and social movements.

**Australian Civil Society Network on Pacific Trade,** which links trade unions, church groups and nongovernment organisations interested in trade and development policies in the Pacific.

**Australian Free Trade and Investment Network (AFTINET):** A national network of community organisations and individuals concerned about trade and investment policy.

**Melanesian Indigenous Land Defence Alliance:** Established in June 2009, MILDA is a regional civil society network that supports and coordinates community efforts to main control over their land. Its principal aim is to assist “Indigenous peoples in Melanesia maintain control over their land, sea, water, air and resources through the continued use of their customary tenure systems.”

**Peoples Protocol on Climate Change:** The People's Protocol on Climate Change is a global campaign that aims to provide venue for grassroots, especially from the South - who are the worst-affected and yet are the least empowered to adapt to climate change - to participate in the process of drawing up a post-2012 climate change framework.

**The Reality of Aid Network (RoA):** The Reality of Aid Network is an international coalition of civil society groups, both large and small, that analyses international development cooperation strategies and promotes new approaches to poverty eradication that are based on solidarity, equity and human rights.

## **Financial Statement**

### **Statement by the Committee of Management of AID/WATCH Incorporated**

In the opinion of the Committee:

- a) The attached financial report presents fairly the financial position of AID/WATCH Inc. as 31 December 2009 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board
- b) At the date of this statement, there are reasonable grounds to believe that AID/WATCH Inc. 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 of Management of AID/WATCH Inc. and is signed for, and on behalf of, the Committee by:

Jemma Bailey  
Chairperson  
19<sup>th</sup> August 2010

### **Declaration by the chairperson of the Committee of Management of AID/WATCH Inc.**

In my opinion,

- a) the attached accounts give a true and fair view of all income and expenditure during the year ended 31 December 2009 with respect to fundraising appeals;
- b) the Balance Sheet as at 31 December 2009 gives a true and fair view of the state of affairs of AID/WATCH Inc. with respect to fundraising appeals;
- c) the provisions of the Charitable Fundraising Act 1991, the regulations under the Act and the conditions attached to the fundraising authority have been complied with by AID/WATCH Inc.; and
- d) the internal controls exercised by AID/WATCH inc. are as appropriate and effective as is practicable in accounting for all income received and applied by AID/WATCH Inc. from any of its fundraising appeals.

Jemma Bailey  
Chairperson  
19<sup>th</sup> August 2010

## Auditor's Report 2009

### *Forest Accountability*

Certified Practising Accountants  
ABN: 95 108 082 515  
Unit 215, 20 Dale Street Brookvale NSW 2100  
PO Box 7280 Warringah Mall, NSW 2100  
T: 02 9905 6677 F: 02 9905 6611

*(Tree Wise Accountants P/L)*

Financial Planners  
Corporate Authorised Representative  
(ASIC No: 299461) of Lifespan Financial  
Planning P/L (AFSL No: 229892)  
Email: [info@forestaccy.com.au](mailto:info@forestaccy.com.au)

#### **AUDITOR'S REPORT**

We have audited the attached special purpose financial report for Aid/Watch for the year ended 31 December 2009. Your association's Committee of Management is responsible for the financial report and has determined that the accounting policies used are consistent with the financial reporting requirements of the constitution of Aid/Watch and are appropriate to meet the needs of the members. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of Aid/Watch. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

The financial report has been prepared for distribution to members for the purpose of fulfilling the Committee of Management's financial reporting requirements under the Aid/Watch's constitution. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and statutory requirements, so as to present a view which is consistent with our understanding of the organisation's financial position, the results of its operations and its cash flows.

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

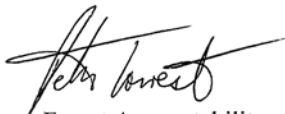
### **Qualification**

Receipts from donations and other fundraising activities are a significant source of revenue for Aid/Watch. Aid/Watch has determined that it is impracticable to establish control over the collection of some donations and other fundraising activity revenue prior to entry in the accounting records. Accordingly, as the evidence available to us regarding revenue from these sources was limited, our audit procedures with respect to donations and other fundraising activity revenue had to be restricted to the amounts recorded to the financial records. We therefore are unable to express an opinion on whether donations and other fundraising activity revenue obtained by Aid/Watch are complete.

### **Qualified Audit Opinion**

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the limitation discussed in the qualification paragraph not existed, the financial report does give a true and fair view of Aid/Watch's financial position as at 31 December 2009 and of its performance for the year ended on that date. We also report that, subject to any effect of the adjustments outlined in the qualification,

- a) the financial statements show a true and fair view of the financial results of fundraising appeals conducted during the year
- b) the accounting and associated records have been properly kept in accordance with the Charitable Fundraising Act 1991 legislation and regulations
- c) monies received from fundraising throughout the year have been properly accounted for and applied in accordance with the charitable fundraising Act
- d) at the date of this report, there are reasonable grounds to believe that Aid/Watch will be able to pay its debts as and when they fall due.



Forest Accountability  
Peter Forrest MBA CPA JP  
Principal  
17<sup>th</sup> August 2010

## AID/WATCH INC.

### Statement of Income and Expenditure as at 31<sup>st</sup> December 2009

2008 \$		2009 \$
	<b>Income</b>	
31,316	Grants - Overseas	50,963
12,000	- Australia	-
1,993	Membership/Sponsorship	2,195
30,676	Donations (Tax Deductible)	20,513
23,162	Donations (Not Tax Deductible)	21,715
365	Interest Received	182
2,289	Fundraising Income (Note 2)	2,384
5,445	Other	3,298
<b>107,247</b>	<b>Total Income</b>	<b>101,251</b>
	<b>Expenses</b>	
96,273	Salaries & On-costs	77,872
	Campaign Expenditure	
13,186	Overseas Projects	5,668
	Australian Projects	4,833
2,914	Community Education	200
	Administration	
1,818	Auditors fees (Note 3)	1,000
761	Depreciation	1,972
1,226	Fundraising Expenditure	592
20,856	Other	14,087
7,200	Rent	6,509
<b>144,234</b>	<b>Total Expenses</b>	<b>112,733</b>
<b>- 36,988</b>	<b>Operating Surplus/Deficit</b>	<b>- 11,482</b>

## AID/WATCH INC.

### Balance Sheet as at 31<sup>st</sup> December 2009

2008 \$		2009 \$
	<b>Current Assets</b>	
20,621	Cash at Bank	49,179
48	Petty Cash	137
375	Receivables	2,310
<u>21,045</u>	<b>Total Current Assets</b>	<u>51,625</u>
	<b>Non-current Assets</b>	
5,073	Plant & Equipment - at Cost	5,073
761	Less: Accumulated Depreciation	2,283
	Intangible Assets - at Cost	3,000
	Less: Accumulated Amortisation	450
<u>4,312</u>	<b>Total Non-current Assets</b>	<u>5,340</u>
<u>25,357</u>	<b>Total Assets</b>	<u>56,965</u>
	<b>Less Current Liabilities</b>	
	Unspent Grants	40,661
5,014	Accounts Payable	4,665
3,829	Accrued Employee Entitlements	6,608
<u>8,843</u>	<b>Total Current Liabilities</b>	<u>51,934</u>
<u>16,514</u>	<b>NET ASSETS</b>	<u>5,032</u>
	<b>Represented by</b>	
53,502	Retained Earnings	16,514
- 36,988	Surplus(Deficit) for the year	- 11,482
<u>16,514</u>	<b>TOTAL</b>	<u>5,032</u>

## AID/WATCH INC.

### Notes to, and forming part of the Accounts for the year ending 31<sup>st</sup> December 2009

<b>Note 1</b>	<b>Accounting Policies</b>	
	Aid/Watch Inc. adopted accrual accounting from 1 January 2004	
<b>Note 2</b>	<b>Fundraising Income</b>	
<b>2008 \$</b>		<b>2009 \$</b>
2,289	Gross proceeds	2,384
<u>1,063</u>	<b>Net Proceeds</b>	<u>1,792</u>
	All proceeds were applied for services delivered by Aid/Watch Inc.	
<b>Note 3</b>	<b>Auditor's Remuneration</b>	
<b>2008 \$</b>		<b>2009 \$</b>
1,818	Audit of financial report	1,000
<u>909</u>	Tax compliance service	<u>800</u>
<u>2,727</u>	<b>Total</b>	<u>1,800</u>
<b>Note 4</b>	<b>STATEMENT OF CASH FLOWS</b>	
<b>2008 \$</b>		<b>2009 \$</b>
	<b>INFLOWS</b>	
	<b>Operating Activities</b>	
26,044	Grants	91,624
1,993	Members	2,177
53,838	Donations	40,213
2,289	Fundraising	2,384
<u>5,104</u>	Other Income	<u>3,489</u>
89,267		139,888

	<b>Financing Activities</b>	
<u>365</u>	Interest	<u>182</u>
365		182
<b><u>89,632</u></b>	<b>TOTAL INFLOWS</b>	<b><u>140,069</u></b>
	<b>OUTFLOWS</b>	
	<b>Operating Activities</b>	
96,844	Salaries & On-costs	76,369
16,100	Campaign Expenditure	10,610
27,428	Administration	20,853
<u>1,226</u>	Fundraising	<u>592</u>
141,598		108,423
5,073	<b>Investing Activities</b>	3,000
<b><u>146,671</u></b>	<b>TOTAL OUTFLOWS</b>	<b><u>111,423</u></b>
-		
<b>57,039</b>	<b>NET INFLOWS</b>	<b>28,646</b>
77,708	Cash at 1 January 2009	20,669
<b><u>20,669</u></b>	<b>CASH AT 31 DECEMBER 2009</b>	<b><u>49,315</u></b>



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