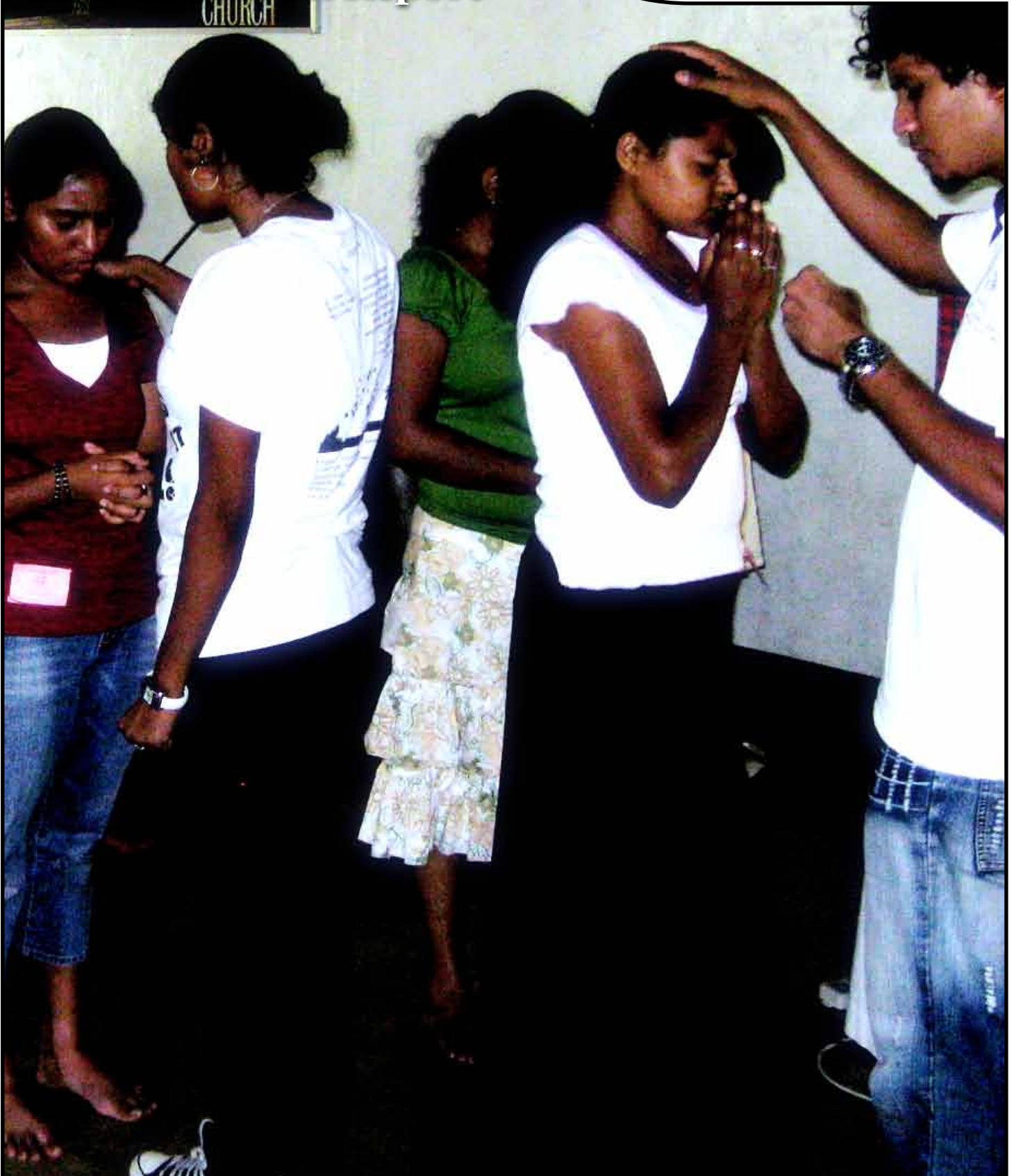




**IN Network Australia
2010-11 Annual Report**



IN Network Australia 2010/11 Annual Report

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Chair's Report

Denise Nichols
Board Chair
IN Network Australia



In making this Annual Report for 2010-11, I would like to thank our supporters, staff, volunteers and Board for their contribution to the work of the IN Network this year.

Through the mission trips and visits to the field by church groups and supporters we know that lives are touched and changed by their encounter with communities whom we support.

I would especially like to mention the partnership that has developed between Trinity Grammar School, Melbourne and a High School in the Philippines. Over several years small groups of students accompanied by staff of Trinity Grammar and International Needs Australia have built a significant relationship that is contributing to sharing of resources as well as life experiences at all levels of staff and students in both schools.

Other Mission trips by church groups have also connected Christians across the world. But we also do this in Australia and I'm pleased to report that networking with churches, business groups and a wide range of Christian organizations in Victoria and particularly in Tasmania has expanded this year. Sheldon Rankin, our CEO and our dedicated staff are actively bringing the story of IN Network to a wider group of people through international visitors, preaching, community education and the website. Getting the message out of the good work done in the name of the Gospel by our partners underpins all our work in IN Network Australia.

Connecting Christians across the world in the work of the Gospel is the mission of IN Network International. It was inspired in a time when the current technological resources were unimagined and opportunities to see first hand or meet Christians from other countries were limited. While nothing replaces the impact of seeing first hand and sharing in the ministries of our partners we recognize that people now have more information and communication possibilities than ever before.

As a Board we are committed to exploring how IN Network Australia can continue to express the relational aspect of our commission to engage in mission to the world as well as supporting financially those who live out and share the gospel in their communities. We also want to explore what it means to live out a holistic approach to mission. We are now engaged in developing the next five year strategic plan which we hope will reflect this vision.

I welcome your prayers and continuing support for the ministry of our partners as well as insights and vision for the future work of IN Network in Australia.

A handwritten signature in black ink, appearing to read 'D. Nichols'.

Denise Nichols
Board Chair
IN Network Australia



CEO's Report

Sheldon Rankin
Chief Executive Officer
IN Network Australia

Having taken on the leadership of IN Network Australia on 1st December 2006, I have almost completed five years of service. Over this time I have come to appreciate the many facets of the agency that are both exciting and challenging. What continues to excite me about IN Network Australia is the depth of the relationships with our field partners, and the ways in which we are able to learn from each other as we seek to serve God in our respective countries and cultures. The major challenge that I see ahead for IN Network Australia is to continue to grow and develop our organisation in ways that allow us to serve our field partners better.

The year just completed has seen the organisation achieve a stable financial basis with us ending the year with a small surplus of \$10,713. This is a very good result given that prior years have seen us struggling to break even. Clearly, we have achieved a financial equilibrium, which enables us to partner well with our field colleagues, ensuring that we continue to support the important mission and evangelistic outreach that is at the heart of our ministry.

IN Network's core business is the support of our partners in the field, but we cannot do that in isolation. So I would like to thank the Board of IN Network Australia as well as our supporters for the continued support. Through your prayers, commitment as volunteers, financial support and interest, we continue to move forward and make a positive contribution to the lives of so many throughout the countries in the field and here in Australia.

We look forward to continuing to share our commitment to God's mission with each of you as we seek to work together with our field partners for love, hope and justice.

Sheldon Rankin

Sheldon Rankin
Chief Executive Officer
IN Network Australia

Board of Directors

Chair

Denise Nichols OAM, BA (Hons), Cert. Welfare Studies

Denise is a consultant in international development for a range of organizations including AusAID. She brings extensive experience in governance in the aid sector to the Board of International Needs. Denise is also involved in the selection and training of candidates for ordained ministry in the Anglican Diocese of Melbourne. She is committed to the intersection of faith and society especially in the support and advocacy of refugees and IN's partners in developing countries. Denise was awarded an OAM in 2010 for service to humanitarian aid and refugees, especially programs for women and children. She has served as Board Chair for three years.



Vice Chair / Secretary

John Winkett

John is the Senior Manager of Charities Aid Foundation where he has national responsibility for the consultancy services and special project development. He has an extensive background in marketing, advertising, sales and communications in the private sector. He has spent the last 24 years working in the not for profit sector with World Vision as the National Operations Manager, Save the Children as National Marketing Manager and now with Charities Aid Foundation. He has a wide experience of developing corporate partnership strategies and was responsible for launching a very successful affinity card for Save the Children with American Express.



Treasurer

Clive Gregory B Com., MBA, M Ed., CPA

Clive spent most of his career teaching Accounting and Finance at various tertiary institutions in Melbourne. Throughout the 1980's he was Head of the Department of Accounting and Business Computing at Phillip Institute. He spent the 1990's in charge of finance and resources management at The Victorian College of the Arts, where he was Deputy Director. He still finds time to teach accounting to MBA students and to assist refugees who seek to enter the workforce as accountants.





Roger Walker BA Econ; Dip Theol

Roger has worked in the overseas aid sector for over 30 years and brings a wealth of knowledge and expertise. His work has included being a policy advisor to the CEO of World Vision Australia, being a member of the Executive Committee of ACFOA (now ACFID), and holding the position of National Director for World Vision International Myanmar.



Dianne Appleby B. Ed., M. Rel. & Theol.

Appointed in Jan. 2011

Dianne has worked in the education sector for over 30 years. Her roles have included; teacher, co-ordinator, curriculum support and curriculum development. Dianne has strong links with the community through teaching English to new migrants, spiritual nurture through activities such as religious education, and leading bible study and prayer groups. Dianne brings experience from being on a number of church, school and kindergarten committees.



Malcolm White

Malcolm has spent his business career in the general insurance industry and has extensive experience in a wide variety of roles including a number of senior management positions and as an insurance consultant. These roles included strategic and business planning, risk assessment and control, crisis management plus some dabbling in marketing and other commercial disciplines. Following this he was appointed Chairman of the insurance operation at the Australian Evangelical Alliance where he spent six years growing the business and providing insurance services to a wide range of Christian groups and churches. He has been Chairman of his local church board involved in governance and other issues at a time when an extensive rebuilding program was undertaken. Malcolm is deeply committed to the mission of the church



Rob Ware BA, Grad Dip Ed., Grad Dip Careers

Working for many years as an independent organisational consultant with private and public enterprises as well as NGO's in relation to change and career management, Rob brings to the Board a range of capabilities which suits the transition needs facing IN. He brings experience in working with church NGOs including international aid organisations. Rob also has a background in career counselling, human resources, community education as well as teaching in both secondary and tertiary education sectors.



Warwick Miller

Warwick has worked in the manufacturing and retail sectors for over thirty years, and has wide managerial experience having held numerous roles in Production, Supply and Product Development. During much of this time he has worked on establishing overseas supply networks and building relationships with business partners in India, China and Indonesia. He is currently a senior executive with Florsheim Australia a division of Weyco Group (USA).



Gail Thannhauser BA Sc; M IBS

Resigned in Nov. 2010

Gail has a Masters in International Business Studies from University of South Carolina which was ranked no.1 in the US for Masters level International Business Studies. She has over 20 years of Marketing experience in the USA, France, Netherlands and Australia.

Vision Statement

IN Network seeks to glorify God and win people to Jesus Christ.

Mission Statement

IN Network in Australia connects Australians with its network of national partners in evangelism, discipleship and community development.

IN NETWORK AROUND THE WORLD

BANGLADESH:

The ministry in Bangladesh is very extensive including Savar children's Village, Vocational Training Programs, Secretarial Science School, Slum Children's School, Community Development Outreach Program, Student Assistance Program, Aged Home, Kindergarten Schools, Chobikharpar Children's Home & Clinic, Office Assistant Training Program.

INDIA: (ACTS MINISTRIES)

ACTS Ministries (IN India) is striving to build up a strong Christian community that will demonstrate the love of Christ in word and deed. ACTS Ministries includes ACTS Institute (ACTS stands for agriculture, crafts, trades and studies) training young men and women in practical skills i.e. carpentry, home economics, agriculture etc. as well as Bible College subjects. This is a very successful model of training and graduates of ACTS are scattered right throughout India. ACTS Institute is in Bangalore, South India.

Other ministries of ACTS include medical work in Bangalore, Calcutta and Allahabad as well as rural areas, with an emphasis on women and children; children's assistance program, education through primary and secondary schools; Vocational training covering trade skills, health, home management, agriculture & computers.

NORTH INDIA: (ACTS MINISTRIES)

Kachhwa Christian School was established by Pervez David some years ago in the heart of a village. Kachhwa is still in great need of assistance with infrastructure, particularly buildings and equipment. Recently it received official approval from the Indian Government as an educational facility. Approved English teachers from Australia are always welcome!

Neva Village is the centre of the outreach work of Dr Shirin David. Shirin and her staff travel to Neva several times each week to reach the girls and young women with programs of preventative health, functional literacy, vocational training including stitchcraft and tailoring. Last Christmas the girls made cards which were sold in India and Australia.

SRI LANKA:

The Harrison School is the main project of INSL providing education, both kindergarten and primary, to hundreds of desperately needy children from the Attidiya slum. The centre is near the Attidiya slum, an area of 112 acres where 1500 families live in sub-standard housing made from tin sheets, plastic sheeting, cardboard, wood, cement blocks etc. Water is from a community tap which is used for bathing, washing clothes & kitchen utensils. A very polluted waterway surrounds this area, teeming with mosquitoes. For the adult men, alcohol, drugs & even murder are a daily part of life. Women and children suffer abuse, both physical and mental. It is in this environment that the Harrison School stands like a lighthouse in the midst of darkness and despair.

Outreach to Mothers & Bubs—An outreach to mothers and their babies has been very popular using the facilities of the Harrison School. About 75 mothers and their babies come, filling the roof top area of the school. A crèche was formed for the babies while the mothers have opportunity to take part in the program. These young mums are divided into groups where they learn health & hygiene, food preparation etc. The staff share the love of Jesus with them and listen as the mums share their concerns and worries.

A Vocational Training Program provides for mothers and babies on the rooftop of the Harrison School.

Classes are held in cake making & decorating; craftwork involves flower making, arranging, bridal bouquets; beauty culture, hairdressing, bridal dressing, fabric painting, sewing. Certificates are presented on the completion of the courses.

KINDERGARTEN TEACHER TRAINING

A program of teacher training originally commenced with AusAID funding still continues and is now self-sustaining. This project is training teachers for the poor rural and urban areas and many student teachers do their practical training in the Harrison School.

BULGARIA

NEW GENERATION is a private kindergarten/pre-school institution located in the Bulgarian capital city Sofia (population : 1,200,000) and, because of its holistic approach, it is the first and only institution of its kind in the country. Currently, it has 24 children enrolled in an all-day program and it has been certified by the local authorities. NEW GENERATION provides full-day Christian child-care and pre-school education for both Christian and non-Christian families. The vision is to develop this kindergarten as a model to be replicated in other locations. Julia Atkova is a well-educated and well-qualified Principal.

COLOMBIA “Instituto Salem” (Peace Institute) is the home for 25 “ninos de la calle” (street children) in Mariquita. This is a remote area where there is guerrilla activity. The care includes food, shelter, basic hygiene, education, Bible study and chapel.

One child’s letter to his sponsor shows how happy they are under the loving care and the focus is on loving Jesus and living to please Him. This child wrote, “I play a lot with my friends and we talk a lot about the love of Jesus. He is in my heart and I love Him and He goes with me everywhere and I know He loves me.” Another child wrote, “I love Jesus so much, He lives in my heart, and He goes with me to school every day, and is my true friend.”

CZECH REPUBLIC

The main ministry of IN-Czech Republic is the project called “Youth Outreach”, carried out in the form of lectures for students between the ages of 14 and 18. To take advantage of the open door in schools, the number of workers will be increased to 9, expanding the effective means of sharing the gospel with young people. Also in the plans is a Christian video aimed directly at this age group, which will be useful for youth ministry. IN CZ intends to continue the support of the Christian seminary students in the Czech Republic, as well as supporting children and students in Nepal and the Philippines.

EGYPT

Writing, printing and distributing a Bible Correspondence Course in Arabic with over 4,000 enrolled. Provision of Leadership Training Conferences for pastors and church leaders and Ministry of Care to the Poor. Presently the Bible Correspondence course is distributed to over 4,000 learners every other month, four times a year. The goal is to distribute it monthly ten times a year and will be done so once the funding is raised. Mission conferences are planned for pastors and ministry leaders, introducing them to a new concept for many Egyptian Christian leaders.

ETHIOPIA

In partnership with the Gedeo Kale Heywet Church of Ethiopia (GKHC), the vision is to reach the more than 20 million Oromo people with the Gospel. To accomplish this, church planters are being sent out right across

Ethiopia. In the past year over 2300 men and women have made commitments to Christ and over 1800 restored into church fellowship with more than 63 churches planted.

GHANA

The ministry has a strong focus on church planting and Christian outreach. It aims to commission 5 church planters every year and provide each with a means of transportation, in the form of a bicycle or motorbike and provide on-the-job training for 25 church planters once a year. IN Network Ghana also aims to provide Bibles and organize adult literacy classes in all churches planted and provide on-the-job training for 70-100 church leaders/workers twice a year.

NEPAL

Nepal is the world's only Hindu kingdom with Hinduism as the state religion. Since the revolution in 1991 there has been freedom to profess and practise religion but not to proselytise. A complex caste system exists despite its illegality since 1963. In 1952 there were no evangelicals in the country. Today there are over 300,000 baptised believers and a Christian community estimated at 750,000. Nepal has one of the fastest growing churches on earth. The ministry focuses on Church Planting and has expanded to the Nepali speaking people in North India (estimated 8 million).

NORTH AFRICA

Persecution of believers and intimidation of seekers has steadily increased over the last 30 years. Only the Lord knows how many Christians there are because there are many secret believers. Because it is so sensitive, the names of the countries or the real names of the workers cannot be published.

Abu Butros (alias) began faithfully proclaiming the gospel in 1966 and IN joined in partnership with him in 1993. A prime focus is writing, printing and distributing a Bible correspondence course in North Africa with over 4000 enrolled and publishing a bimonthly evangelical magazine. Through this ministry a Bible Commentary has been translated into Arabic and printed. Several Christian Classics have also been translated into Arabic.

PHILIPPINES

IN Network Philippines has been active in evangelism and church planting since 1977. Leadership development and discipleship, training of pastors and laymen for ministry and church planting in remote regions of the country form the main focus of this small but dynamic Asian ministry. The IN Network Philippines goal is to plant 400 churches by 2010, thus enlarging God's mission in the new millennium.

ROMANIA

An evangelistic ministry, IN Network Romania is involved in Forum XXI - a program of Christian conferences for young business professionals and the ARK Ministry providing counseling and spiritual support for women with troubled families.

The future emphasis will continue to be on Village Evangelism, Church Planting and Leadership Development. Initiatives will include increasing the number of Evangelists and Church Planters, establishing a Training Centre in Arad, youth camps and school evangelism with a Tutorial Program for professional training of Christian students with leadership potential.

SLOVAK REPUBLIC

Supporting national workers in evangelism and church planting with an Elementary Christian Bilingual School (ECBS), Youth ministry and camps and evangelistic programs. IN-Slovakia is involved with the Theological Seminary and provides student scholarships. School evangelism is an urgent challenge as the time of freedom to visit the public schools with the Gospel may end soon. Youth ministry and church planting continue to be a real priority, beginning with the elementary school students in Bratislava. There is the vision to reach the recovering drug addicts and alcoholics through the Metanoia Recovery Center ministry in Bernolakovo (near Bratislava).

TURKEY

Turkey remains the largest unreached nation in the world. For over 1,000 years it had been a bastion of Christianity, but it became a strong force spreading the cause of Islam. Christian believers have declined from 22% to only .32% between 1900 and 2000, with most of the Christians being non-Turkish. Few of the over 66 Muslims have ever heard the gospel. Church Planting/Evangelism - carried out by Ilyas, an elder in a small church that was planted in Istanbul, and where he ministers regularly. His evangelism is carried out through personal visits, and his church planting ministry consists mainly of discipling church members and building up in their faith. The ministry also has Internet Evangelism - carried out by Cuneyt. Cuneyt and his wife graduated from Tyranus Bible School in June 2002. He began using the Internet while attending Bible school as a “dooropening” forum to chat with those who do not know Christ, sharing with them the truth of the good news of Jesus. He follows up by sending literature to those interested and inviting them to seminars. He has found that this method is highly effective in reaching the lost for Christ.

UGANDA

Under the leadership of Rev Justus Miwanda, IN Network Uganda has made giant strides forward. The ministry has been reorganised in the recent year with improvements to Trinity Bible College, Kiyindi Primary School with over 700 students and Buikwe Girls school with over 350 students. The Makonge Health Clinic, the only health facility for over 100,000 people treats over 200 people a day. The challenge of AIDS remains a priority in Uganda despite progress being made to combat the disease through prevention, education and health care.

VIETNAM

Despite the hardship, persecution and problems of Communication, our leadership in Vietnam want to expand the church planting as the Spirit of God moves across this land that has experienced so much suffering in its recent past. According to Missions Researchers, Vietnam ranks number 6 in the world on the list of nations with the most persecution of Christians. Recently one of our church planters was arrested and several others were interrogated. When a team visited seven different leprosy camps, 57 people became believers. A method of evangelism that is becoming very effective is for teams to go into hospitals with food and medicine. This gives an opportunity to counsel patients, and follow them up after they leave the hospital.

ZAMBIA

ZACTS (Zambia Agriculture Crafts Trades and Studies) trains young Christians with “tent making skills” such as farming, carpentry or home economics which combine well with theological studies thus providing them with the ability to provide income for themselves as they minister the Gospel. ZACTS’ emphasis is on evangelism and discipleship, which results in church planting. Most ZACTS graduates enter the field with the skills needed to be self-reliant tentmakers. FAMILY CARE ministries, conducted at the FamCare Retreat and Training Centre near Ndola, aim at building strong Christian families. This is done through training, seminars, and retreats emphasizing home and family life based on God’s Word. A Computer Training Centre located in the township of Solwezi, trains its students in computer skills. The primary mission of the CTC is to train the ZACTS students to be computer literate, but the Center also accepts students from the outside, such as pastors of local churches, business employees, etc.

IN Network Zambia’s plans are to continue training and sending out fully-equipped young Christian men and women throughout Zambia and into the surrounding nations for the planting and leading of churches. INZ also, through FamCare Ministries, seeks to impact the country with teachings on Christian family values. This is desperately needed in a country where the increasing rate of divorces combined with the spread of HIV/AIDS are the norms of everyday life. INZ’s goal is to become self-reliant in the years ahead.

From the Australian Office

With the establishment of IN Network Australia, all evangelistic endeavours of the ministry are focussed within this organisation.

The commitment of the Board and Staff is to raise the profile of the Christian mission aspects of the work of IN Network partners around the world and to increase our effectiveness as partners with Christians and churches within Australia.

Deputations

INA Staff members are delighted to be asked to your church, ladies group, men's fellowship, small group, youth program, young adults café night or whatever group you are involved in - to share about the work of IN Network around the world and to assist local churches with evangelistic ministry in their own areas.

Staff regularly speak in schools, service clubs and other groups and welcome any opportunity to do so. Please contact the IN office for details phone 03 9877 7177.

Wills and Bequests

People with a heart for evangelism can now include IN Network Australia in their Will to ensure that part of their legacy will support ministry that aims to bring people to the saving knowledge of Jesus Christ.

For information on legal wording, please contact our office or ask your solicitor to contact us so that you can remain anonymous.

Privacy Statement

IN Network Australia holds all personal information given by Donors as highly confidential and does not share or sell its mailing list / donor base to any outside individuals or organisations. Any information stored will be accessible by authorised staff of IN Network Australia only.

Any Donor is entitled to gain access to any personal information relating to themselves and can request a copy of that information by writing to IN Network Australia, P0 Box 121, Mitcham, Vic 3132.

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IN NETWORK AUSTRALIA INC.

A.B.N. 17 496 278 369

(An Incorporated Association)

Financial Report

Year ended 30 June 2011

CONTENTS

**Director's Report
Income Statement
Balance Sheet
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Statement by Directors
Independent Audit Report**

DIRECTORS' REPORT

The directors are pleased to present their report on IN Network Australia Inc. ("the Ministry") for the financial year ended 30 June 2011.

DIRECTORS

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

Director		Occupations
APPLEBY, Dianne	(Appointed 21/1/2011)	Consultant
MILLER, Warwick		Business Executive
NICHOLS, Denise Lorel	<u>Chairperson</u>	Consultant
THANNHAUSER, Gail	(Resigned 17/11/2010)	Consultant
WALKER, Roger		Retired
WARE, Rob		Consultant
WINKETT, John	<u>Deputy Chair</u>	Consultant
WHITE, Malcolm		Consultant

Principal Activities

IN Network Australia Inc. is the ministry arm of International Needs, being dedicated to encouragement, training and support of Christian workers in their own countries. Donations to IN Network Australia Inc. are non-tax deductible.

Operating Results

The net result of the Ministry for the year ending on 30th June 2011 was a surplus of \$10,713 (Surplus \$3,535 in 2010).

Significant Changes in the State of Affairs

There were no significant changes in the state of affairs of the Ministry during the financial year.

Matters Subsequent to the End of the Financial Year

There is at the date of this report no matter or other circumstance which has arisen since 30th June 2011 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 30 June 2011; or
- (b) the results of those operations; or
- (c) the state of affairs, in financial years subsequent to 30 June 2011, of the Ministry.

Meetings of Directors

The following table sets out the number of meetings that the directors held during the year ended 30 June 2011, and the numbers of meetings attended by each director.

Number of meetings attended by:		Number of meetings held - 7
APPLEBY, Dianne	(Appointed 21/1/2011)	3
MILLER, Warwick		6
NICHOLS, Denise Lorel		6
THANNHAUSER, Gail	(Resigned 17/11/2010)	1
WALKER, Roger		6
WARE, Rob		6
WINKETT, John		3
WHITE, Malcolm		6

Future Developments

The future developments in the operation of the Ministry and the expected result of those operations in financial years subsequent to the year ended 30 June 2011 are as follows: The performance of the Ministry is expected to be satisfactory over the next twelve months with no significant changes to operations.

Auditor

The Chartered Accounting firm of rdl.accountants is the independent auditor of the Ministry in accordance with the requirements of the Associations Incorporation Act 1981.

This report is made in accordance with a resolution of the Directors.

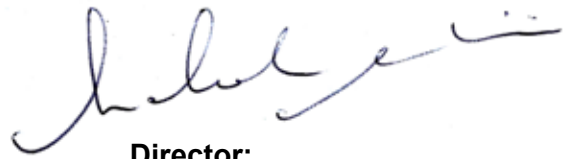
Director:



Name:

DENISE NICHOLS

Director:



Name:

Michael WHITE

Dated: 27th July 2011

IN Network Australia Inc.
Income Statement
Year Ended 30th June 2011

	Note	2011	2010
		\$	\$
Revenue			
General Funds		37,732	32,319
Fundraising for Projects	5	10,775	29,952
Levies		1,527	1,652
Other Income		0	0
Total Revenue		<u><u>\$ 50,034</u></u>	<u><u>\$ 63,923</u></u>
Expenses			
Project Outlays	5	14,377	29,952
Ministry Expenses		27,043	28,277
Office Expenses		491	41
Promotion		532	87
Audit Fees		712	690
Global Missions		193	183
Dues and Subscriptions		509	182
Provision - Annual leave	3	(1,614)	2,128
Provision - Long Service Leave	4	680	(1,152)
Total Expenses		<u><u>\$ 42,923</u></u>	<u><u>\$ 60,389</u></u>
Excess / (Shortfall) of Revenue over Expenditure		\$ 7,111	\$ 3,535
Transfer from (to) reserves - Project Funds		3,602	0
NET SURPLUS (SHORTFALL)		<u><u>\$ 10,713</u></u>	<u><u>\$ 3,535</u></u>
from continuing operations			

IN Network Australia Inc.
Balance Sheet
As of June 30, 2011

	Note	2011	2010
		\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents		35,225	28,220
Trade and other receivables		<u>0</u>	<u>0</u>
Total Current Assets		35,225	28,220
Other Assets		<u>87</u>	<u>152</u>
TOTAL ASSETS		<u><u>\$ 35,312</u></u>	<u><u>\$ 28,372</u></u>
 LIABILITIES & EQUITY			
Current Liabilities			
Trade and other payables		3,215	2,161
Provision for Annual Leave	3	<u>1,003</u>	<u>2,908</u>
Total Current Liabilities		4,218	5,069
Long Term Liabilities			
Provision for Long Service Leave	4	<u>1,391</u>	<u>711</u>
Total Liabilities		<u>5,609</u>	<u>5,780</u>
Equity			
Reserves - Funds designated for future use		4,762	8,364
Accumulated Surplus		<u>24,941</u>	<u>14,228</u>
Total Equity		<u>29,703</u>	<u>22,592</u>
TOTAL LIABILITIES & EQUITY		<u><u>\$ 35,312</u></u>	<u><u>\$ 28,372</u></u>

IN Network Australia Inc.
Statement of Changes in Equity
As of June 30, 2011

	Retained Earnings	Reserves (Funds Designated For Future Use)	Total Equity
	\$	\$	\$
Balance as at 1 July 2009	10,693	0	10,693
Excess of Revenue over Expenses	3,535	0	3,535
Amount transferred from (to) Reserves	0	0	0
Balance as at 1 July 2010	<u>14,228</u>	<u>0</u>	<u>14,228</u>
Excess of Revenue over Expenses	7,111	0	7,111
Amount transferred from (to) Reserves	0	8,364	0
Balance as at 1 July 2011	<u><u>21,339</u></u>	<u><u>8,364</u></u>	<u><u>21,339</u></u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Financial Statements of the Ministry have been prepared as a Special Purpose Financial Report for distribution to the members for the purpose of fulfilling the directors' financial reporting requirements of the Associations Incorporation Act 1981.

The Financial Statements have been prepared in accordance with applicable Australian Accounting Standards and the disclosure requirements for an Incorporated Association. The Ministry has determined that it is not a reporting entity as defined by the Statement of Accounting Concepts SAC 1 and consequently the Australian Accounting Standards do not have mandatory application.

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

(a) Accruals Accounting and Historical Cost Convention

The financial statements have been prepared in accordance with the accrual basis of accounting, based on historical costs convention which does not recognise changes in levels of prices, except where stated.

(b) Provision for Employee Entitlements

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at amounts expected to be paid when the liability is settled.

(c) Superannuation

Statutory contributions to an employee superannuation fund (if any), are charged as expenses when incurred. Non statutory superannuation contributions are paid by International Needs.

(d) Revenue and other income

Grant and other donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

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

(e) Goods and services tax (GST)

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 Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

(f) Cash and Cash Equivalents

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

2. INCOME TAX

The Ministry is exempt from paying income tax in accordance with Section 50-5 of the Income Tax Assessment Act 1997.

	2011	2010
3. PROVISION FOR ANNUAL LEAVE	\$	\$
Balance at start of year	2,908	780
Leave Paid on Retirement	(291)	-
Increase (Decrease) in provision	(1,614)	2,128
Balance at end of year	<u><u>\$ 1,003</u></u>	<u><u>\$ 2,908</u></u>
4. PROVISION FOR LONG SERVICE LEAVE	\$	\$
Balance at start of year	711	1,863
Increase (Decrease) in provision	680	(1,152)
Balance at end of year	<u><u>\$ 1,391</u></u>	<u><u>\$ 711</u></u>
5. PROJECTS		
	Inputs	Outlays
	\$	\$
Overseas Projects		
<u>National Workers:</u>		
Ghana	377	479
India	318	318
Nepal	-	-
Philippines	3,198	4,494
<u>Philippines:</u>		
Mission Trips	3,900	5,286
Evangelism	1,425	1,425
Uganda - Education	1,557	2,375
	<u>\$ 10,775</u>	<u>\$ 14,377</u>
Domestic Projects		
Nil	-	-
Total Project Outlays	<u><u>\$ 10,775</u></u>	<u><u>\$ 14,377</u></u>

STATEMENT BY DIRECTORS

The Financial Statements are drawn up in accordance with applicable Accounting Standards. This statement is made in accordance with a resolution of the Directors.

In the opinion of the Directors:

- (a) The Financial Statements, being the Balance Sheet of the Ministry as at the 30th June 2011, the related Income Statement for the financial year then ended and the accompanying notes as attached, are drawn up so as to give a true and fair view of the state of affairs as at the 30 June 2011 and the surplus for the financial year ended on that date; and
- (b) At the date of this statement there are reasonable grounds to believe that the Ministry will be able to pay its debts as and when they fall due.

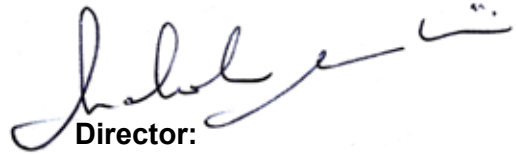
Director:



Name:

DENISE NICHOLS

Director:



Name:

MALCOLM WHITE

Dated: 27th July 2011

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF I.N. NETWORK AUSTRALIA INC.

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of I.N. Network Australia Inc. (the association), which comprises the director's report, the balance sheet as at 30 June 2011, the income statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by the directors.

Directors' Responsibility for the Financial Report

The directors of I.N. Network Australia Inc. is responsible for the preparation of the financial report, and has determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the *Incorporated Associations Act 1981 Victoria* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those 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 judgment, 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 association's preparation of the financial report that gives a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of I.N. Network Australia Inc. as at 30 June 2011 and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements, and the *Incorporated Associations Act 1981 Victoria*.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist I.N. Network Australia Inc. to meet the requirements of *Incorporated Associations Act 1981 Victoria*. As a result, the financial report may not be suitable for another purpose.



Robert J Hurrell, FCA
rdl.accountants

27 July 2011
Blackburn, Victoria

