21 July 2011

Linux Australia Treasurers Report for 2010

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This document contains the presentation of the 2010 Linux Australia financials. It is with my sincere apologies that these figures were not be presented before this point in time.

New Financial Software

I was invited to join the council on the 1st of June. By this point John Ferlito had already started the transition to a new accounting software in his role as treasurer before he transitioned to president when I came on board. Xero has been an excellent tool that has allowed us to do so much more as a council this year. Using Xero we were able to give all the treasurers of the subcommittees/conferences (LCA, Drupal Down Under, Wordcamp, PyConAU) access to their financials and allow them to manage their own invoicing, payments, reimbursements and reconciliation. I am currently in the process of documenting using Xero as a subcommittee for Linux Australia along with other policies around expenses, financial dealings and operations. It is streamlining this process that has allowed us to process nearly all reimbursements within 48 hours of receiving them which I'm hoping will lift a large burden occasionally put on members/council who help out Linux Australia.

New Accountant and Auditor

Another thing that we have introduced, with the goal to relieve pressure on the Treasurer and council, is engaging with an accountant knowledgeable in Xero who also specialises in working with non-profits. We now have an accounting firm reviewing our books via Xero to ensure everything is in order and submitting BAS statements on our behalf[1]. They have additionally been assisting us in preparing for an audit that is now mandatory under new Fair Trading regulations[2,3]. We intend on keeping a good business relationship with our accountants to have this as an ongoing service and even have our first quarter of 2011 booked in for review.

Timing

Our financial year ends on the 31st of December which is unfortunately less than one month before our AGM which didn't give us a lot of time for new accountants to prepare our records in time for an annual report. This was primarily due to the slow process in selecting an accountant and getting them up to speed during this busy period of the year. In the future we hope that this process will become smoother and more streamlined. As a result we were unable to present these financial documents in full at the Linux Australia AGM and are instead being presented now as part of a SGM.

1 Mr. Alex Cowell of Matrix On Board.
2 http://www.fairtrading.nsw.gov.au/Cooperatives_and_associations/Associations/Associations_legislation/Changes_to_associations_legislation.html
3 Mr Greg Middleton of MHW will be submitting our audit.

Notes on financial report

On the advice of our auditor expenses or income occurred during 2010 for conferences/events that are run in 2011 have been moved into a prepaid account. Therefore the profit section only shows payments for conferences run during 2010 and the expense section only shows expenses incurred for conferences or operations during 2010. The balance sheet shows the total amount of prepayments as current assets and liabilities.

Notes on the figures

At the end of the 2010 financial year Linux Australia stood at $281,025 in total equity.

During 2010 Linux Australia had an operating cost of $35,542. This was made up primarily from grants[1], face to face meetings[2], storage rental, bank fees[3] and postage and freight. During 2010 the Hobart storage facility was closed which should make a large difference to the storage fees incurred. To close the storage facility the left over conference items from LCA09 were posted around the state for various events including Software Freedom Day – this accounts for the high postage fees incurred.

If there are any questions or queries in regards to the reports or figures please contact treasurer@linux.org.au and I will answer your question or provide you with the appropriate documentation. Lastly I would again like to apologise for the delay in posting these figures. Clearly we have been working on a lot of new platforms and processes – particularly with hiring an accountant an auditor. It is my personal goal to ensure that future reports are not delayed so late.

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1 http://linux.org.au/grants
2 Two face to face meetings were held during 2010
3 The majority of these bank fees are merchant fees

Thanks

Lastly I would like to thank all of the treasurers from the subcommittees involved in the events and conferences that Linux Australia has run this past term.

- Brendan Kelly - LCA2011
- James Beake - Drupal Down Under 2011
- James Collins - Wordcamp 2011

All of these conferences take a lot of effort to run and keeping on top of the financials for these events is no trivial task. I would also like to extend a warm thanks to all of the organisers and helpers of these conferences that made them such a huge success.

I would also like to thank Andrew Ruthven has also continued to be involved with Linux Australia offering to manage our accounts in NZ. We have set aside money in NZD to assist dealing with payments that we are likely in incur such as flights to ghosts and zookeepr meetings.

And finally I would like to personally thank John Ferlito for his excellent work as treasurer up to May 2010 and his invaluable help in guiding me through the role.

Warm Regards,
Joshua Hesketh
Treasurer
Linux Australia Inc