

The Australian Rhino Project

ABN: 14 168 809 158

Financial Report

For the year ended 30 September 2019

The Australian Rhino Project

ABN: 14 168 809 158

Contents

For the year ended 30 September 2019

Financial Report	Page
Directors' Report	3
Auditor's Independence Declaration	6
Independent Auditor's Report	7
Directors' Declaration	9
Statement of Profit or Loss and Other Comprehensive Income	10
Statement of Financial Position	11
Statement of Changes in Equity	12
Statement of Cash Flows	13
Notes to the Financial Report	14

The Australian Rhino Project

ABN: 14 168 809 158

Directors' Report

For the year ended 30 September 2019

The directors present their report on The Australian Rhino Project (the Company) for the year ended 30 September 2019.

1. General information

Directors

The names of the directors of the Company at any time during, or since the end of the year are:

Name	Appointed/Resigned
Elaine Bensted	Appointed 20 February 2017
Allan Davies (Chairman and Co-Founder)	Appointed 28 March 2014
Mark Stanbridge	Appointed 28 March 2014
Paul White	Appointed 1 July 2014

Information on the Directors is available on the Company's website - <http://theaustralianrhinoproject.org/>
Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal activities

The principal activities of The Australian Rhino Project (the Company) during the financial year were sourcing the first 'crash' of rhinos for transferring from South Africa to Australia, continuing to work on obtaining the necessary government approvals to transfer the rhinos and fine tuning the strategy to raise the required funding. Sourcing rhinos has progressed substantially during the year and at year end, draft contracts had been completed with a South African party for the supply, pre-export quarantine and export approval of up to 10 rhinos, principally females. The signed Heads of Agreement with Orana Wildlife Park located at Christchurch in New Zealand providing for transit quarantining of rhinos in New Zealand before despatch to, and arrival in, Australia has been developed into a contract which is well advanced in its negotiation. In addition, significant effort was spent raising awareness of the rhino poaching and welfare issues through website updates, print media and advertising and social media.

No significant changes in the nature of the Company's activity occurred during the financial year.

2. Short term objectives

The Company's short-term objectives are to identify the most appropriate location for transit quarantine, sourcing suitable (non-TB affected) rhinos under threat of being killed by poachers for their horns, and obtaining approvals for transferring up to 10 rhinos from South Africa to Australia via New Zealand. Once this has been achieved, the focus will then be on identifying further rhinos in South Africa for transfer to Australia via New Zealand.

3. Long term objectives

The Company's long-term objectives are to establish a breeding herd of approximately 30 rhinos in Australia, a place of relative safety and comparable ecology to their native home. These animals will act as an "insurance population" to supplement the genetic diversity of the rhinos already resident in Australia and New Zealand in the event of extinction of the species in South Africa. It is intended to repatriate rhinos back to South Africa when the situation permits. In 2017 a review of the Company objective in-conjunction with representatives of ZAA (Zoo and Aquarium Association of Australasia) to relocate 80 rhinos resulted in agreement on the smaller number of approximately 30 rhinos. This smaller number was considered sufficient to provide suitable opportunity to enhance the genetic diversity of the current population in Australasia.

The Australian Rhino Project

ABN: 14 168 809 158

Directors' Report

For the year ended 30 September 2019

4. Strategy for achieving the objectives

To achieve these objectives, the Company has adopted the following strategies:

- Form technical advisory and partnership arrangements with organisations with the expertise and experience required to obtain approvals and to bring rhinos into Australia and maintain them in open plain zoo environments. The Company has developed a technical advisory arrangement with Taronga Conservation Society and Zoos South Australia which have extensive experience over a considerable time in bringing wild animals, including rhinos, into Australia and caring for them. Both organisations have the capacity to quarantine and house rhinos in an open plain environment. Both these organisations are members of the Australasian Zoos and Aquarium Association which has oversight of the management of these animals in Australia and New Zealand. In addition, a strong relationship has been developed with Orana Wildlife Park located at Christchurch in New Zealand where the animals being transferred from South Africa to Australia would transit for more extensive quarantine after leaving South Africa before final shipment to Australia.
- Use networks in South Africa to source rhinos for transferring to Australia. The Company has appointed an experienced and well respected South African resident to assist the company with its South African negotiations for sourcing rhinos and also seeking approvals to translocate them to Australia. This appointment is structured as a pro-bono relationship. As a result of this relationship, a source of rhinos has been identified and progress has been made in identifying sufficient rhinos for an initial shipment.
- Approach state/provincial and central governments in Australia and South Africa to obtain the necessary approvals to transfer the rhinos. This contact is being made with assistance of the South African source of rhinos and through Orana Wildlife Park in New Zealand.
- Raise awareness of the plight of the rhino and, through various fundraising activities, use the networks of the directors and associates of the Company to raise the required funds by way of donations and sponsorships.

5. How principal activities assisted in achieving the objectives

The principals activities assisted the Company in achieving its objectives:

- Significant progress has continued to be made in understanding the requirements of the Australian, New Zealand and South African Governments to obtain the necessary export and import approvals. Draft contracts have been exchanged with the source of rhinos in South Africa. An obligation of the source entity is to provide all required export approvals and sufficient documentation for import approvals to New Zealand and Australia.
- The Company has raised significant funds to transfer the first "crash" of rhinos through donations, sponsorship and successful fundraising dinners. The company maintains a strong balance sheet and cash deposits.

6. Performance measures

The following measures are used within the Company to monitor performance:

- Weekly progress against milestones set in the project management plan to source rhinos, obtain government approvals, arrange capture, quarantine, transport facilities and raise funds;
- Monthly expenditure against the budget for the ongoing expenses of running the Company;
- Monthly receipts from donations and sponsorship against the budget for funding required.

These measures are set by the Board based on input from three working committees which are responsible for implementing these strategies - Finance, Governance, Audit; Fundraising, Communications and Marketing; Operations.

The Australian Rhino Project

ABN: 14 168 809 158

Directors' Report

For the year ended 30 September 2019

7. Members guarantee

The Australian Rhino Project is a company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$50 for payment of the debts and liabilities of the Company including the costs of the winding up. This undertaking continues for one year after a person ceases to be a member.

At 30 September 2019 the collective liability of members was \$3,800 (2018: \$3,800).

8. Meeting of directors

During the financial year, 11 meetings for directors were held. Attendances by each director during the year were as follows:

		Director's Meetings		
		Number eligible to attend	Number attended	
	Elaine Bensted	11	11	
	Allan Davies	11	11	
	Mark Stanbridge	11	11	
	Paul White	11	11	

Auditor's independence declaration

The lead auditor's independence declaration in accordance with subdivision 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, for the year ended 30 September 2019 has been received and can be found on page 6 of the financial report.

Signed in accordance with a resolution of the directors:



Allan Davies

Director

Dated: 13 November 2019

Auditor's Independence Declaration under subdivision 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* to the Directors of the Australian Rhino Project

In accordance with Subdivision 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, I am pleased to provide the following declaration of independence to the directors of the Australian Rhino Project.

I declare that, to the best of my knowledge and belief, during the year ended 30 September 2019 there have been no contraventions of the auditor independence requirements as set out in any applicable code of professional conduct in relation to the audit.



Nexia Sydney Partnership



Lester Wills
Partner

Dated: 13 November 2019

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Independent Auditor's Report to the Members of The Australian Rhino Project

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of The Australian Rhino Project (the Company), which comprises the statement of financial position at 30 September 2019, the state of profit and loss and comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:

- i) giving a true and fair view of the Company's financial position as at 30 September 2019 and of its financial performance for the year then ended; and
- ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the 'auditor's responsibilities for the audit of the financial report' section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Directors are responsible for the other information. The other information comprises the information in The Australian Rhino Project's annual report for the year ended 30 September 2019, but does not include the financial report and the auditor's report thereon. Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the other information we are required to report that fact. We have nothing to report in this regard.

Directors' responsibility for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the Australian Charities and Not-for-profits Commission Act 2012 and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In preparing the financial report, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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Auditor's responsibility for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report. A further description of our responsibilities for the audit of the financial report is located at The Australian Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

Report on the Requirements of the Charitable Fundraising Act 1991 (NSW) and the Charitable Fundraising Regulation 2015 (NSW)

We have audited the financial report as required by section 24(2) of the Charitable Fundraising Act 1991 (NSW). Our procedures included obtaining an understanding of the internal control structure for fundraising appeal activities and examination, on a test basis, of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising appeal activities pursuant to the Charitable Fundraising Act 1991 and Charitable Fundraising Regulation 2015. Because of any inherent limitations of any assurance engagement, it is possible that fraud, error or non-compliance may occur and not be detected. An audit is not designed to detect all instances of non-compliance with the requirements prescribed in the above-mentioned Act and Regulation as an audit is not performed continuously throughout the period and the audit procedures performed in respect of compliance with these requirements are undertaken on a test basis. The audit opinion expressed in this report has been formed on the above basis.

Opinion

In our opinion:

- a) The financial report gives a true and fair view of the financial results of fundraising appeal activities for the financial year ended 30 September 2019;
- b) The financial report has been properly drawn up, and the associated records have been properly kept for the financial year ended 30 September 2019, in accordance with the Charitable Fundraising Act 1991 and Regulations;
- c) Money received as a result of fundraising appeal activities conducted during the financial year ended 30 September 2019 has, in all material respects, been properly accounted for and applied in accordance with the Charitable Fundraising Act 1991 and Regulations; and
- d) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.



Nexia Sydney Partnership



Lester Wills

Partner

Dated: 13 November 2019

Sydney

The Australian Rhino Project

ABN: 14 168 809 158

Directors' Declaration

For the year ended 30 September 2019

The directors have determined that the Company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 3 to the financial statements.

The directors of the Company declare that:

- 1 The attached financial statements and notes comply with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
 - (a) giving a true and fair view of the financial position and performance of the Company; and
 - (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements.
- 2 In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;
- 3 the Statement of Profit and Loss and Other Comprehensive Income gives a true and fair view of the all revenue and expenditure of the organisation with respect to fundraising appeals;
- 4 the Statement of Financial Position gives a true and fair view of the state of affairs with respect to fundraising appeals conducted by the organisation;
- 5 the provisions of the *Charitable Fundraising (NSW) Act 1991*, the Regulations under that Act and the conditions attached to the fundraising authority have been complied with by the organisation; and
- 6 the internal controls exercised by the Company are appropriate and effective in accounting for all income received and applied by the organisation from any of its fundraising appeals.

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



Allan Davies

Director

Dated: 13 November 2019

The Australian Rhino Project

ABN: 14 168 809 158

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 September 2019

	Note	2019 \$	2018 \$
Revenue			
Donations in cash		100,002	46,047
Donations in kind		95,000	95,000
Event revenue - tickets		-	23,012
Merchandise sales	4b	1,482	1,605
Interest received		1,664	8,255
Total Revenue		198,148	173,919
Expenditure			
Consulting and professional fees	5	(182,664)	(155,354)
Other expenses		(16,370)	(12,942)
Quarantine costs		-	(50,000)
Travel and meeting costs		(2,887)	(970)
		(201,921)	(219,266)
Loss for the year		(3,773)	(45,347)
Other comprehensive income, net of income tax			
Other comprehensive income		-	-
Total comprehensive loss for the year		(3,773)	(45,347)

The Australian Rhino Project

ABN: 14 168 809 158

Statement of Financial Position

As at 30 September 2019

	Note	2019 \$	2018 \$
Assets			
Current assets			
Cash and cash equivalents	6	584,330	600,083
Trade and other receivables	7	9,108	6,827
Total current assets		593,438	606,910
Total assets		593,438	606,910
Liabilities			
Current liabilities			
Trade and other payables	8	1,239	10,938
Total current liabilities		1,239	10,938
Total liabilities		1,239	10,938
Net assets		592,199	595,972
Equity			
Retained earnings		592,199	595,972
Total equity		592,199	595,972

The Australian Rhino Project

ABN: 14 168 809 158

Statement of Changes in Equity

For the year ended 30 September 2019

	Retained earnings	Total \$
Balance at 1 October 2017	641,319	641,319
Loss for the year	<u>(45,347)</u>	<u>(45,347)</u>
Balance at 30 September 2018	<u>595,972</u>	<u>595,972</u>
Loss for the year	<u>(3,773)</u>	<u>(3,773)</u>
Balance at 30 September 2019	<u><u>592,199</u></u>	<u><u>592,199</u></u>

The Australian Rhino Project

ABN: 14 168 809 158

Statement of Cash Flows

For the year ended 30 September 2019

	Note	2019 \$	2018 \$
Cash flows from operating activities			
Receipts from donor, events & grants		1,482	24,618
Donations received		100,002	46,048
Payments to suppliers and employees		(118,901)	(124,943)
Interest received		1,664	8,255
		<hr/>	<hr/>
Net cash provided by operating activities	13	(15,753)	(46,022)
		<hr/>	<hr/>
Net increase/(decrease) in cash and cash equivalents held		(15,753)	(46,022)
Cash and cash equivalents at beginning of financial year		600,083	646,105
		<hr/>	<hr/>
Cash and cash equivalents at end of financial year	6	584,330	600,083
		<hr/> <hr/>	<hr/> <hr/>

The Australian Rhino Project

ABN: 14 168 809 158

Notes to the Financial Report

For the year ended 30 September 2019

1 Entity information

The financial report covers The Australian Rhino Project as an individual entity. The Australian Rhino Project is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia. The Company was incorporated on 28 March 2014.

The functional and presentation currency of The Australian Rhino Project is Australian Dollars.

Comparatives are consistent with prior years, unless otherwise stated.

2 Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements, Australian Accounting interpretations, other authoritative pronouncements of the Australian Accounting standards Board, the *Australian Charities and Not-for-profits Commissions Act 2012* and the *Charitable Fundraising Act (NSW) 1991*.

The financial statements have been prepared on an accruals basis and are based on historical costs modified.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

3 Summary of significant accounting policies

(a) Income tax

The Company is exempt from income tax.

(b) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

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

Donations

Donations, including donations in-kind, fundraising event income and bequests are recognised as revenue when received unless they are subject to conditions which require repayment if the conditions are not satisfied.

Interest revenue

Interest is recognised using the effective interest method.

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

The Australian Rhino Project

ABN: 14 168 809 158

Notes to the Financial Report

For the year ended 30 September 2019

3 Summary of significant accounting policies continued

(c) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(d) Cash and cash equivalents

Cash and cash equivalent comprise cash on hand, demand deposits and short-term investments which are readily convertible known amounts of cash and which are subject to an insignificant risk of change in value.

(e) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. Trade and other payables are unsecured.

4 Fundraising Activities

(a) Fundraising events conducted

No fundraising event has been held during the financial year.

(b) Net income from fundraising activities

	2019 \$	2018 \$
Gross revenue from merchandise	1,482	1,605
Donations received at events (included in donations in cash)	-	23,012
	<u>1,482</u>	<u>24,617</u>

The Australian Rhino Project

ABN: 14 168 809 158

Notes to the Financial Report

For the year ended 30 September 2019

	2019 \$	2018 \$
5 Consulting & professional fees		
Legal fees (donated)	75,000	75,000
Audit and accounting fees (donated)	20,306	20,000
Project management fees	87,358	60,354
	182,664	155,354
6 Cash and cash equivalent		
Cash at bank and on hand	584,330	600,083
7 Trade and other receivables		
CURRENT		
GST receivables	5,004	1,976
Prepayments	4,104	4,851
	9,108	6,827
8 Trade and other payables		
CURRENT		
Accrued expenses	1,239	10,938
9 Members' Guarantee		
The Company is incorporated under the <i>Corporations Act 2001</i> and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$50 for payment of the debts and liabilities of the Company including the costs of the winding up. This undertaking continues for one year after a person ceases to be a member. At 30 September 2019 the number of members was 76 (2018: 76).		
10 Key Management Personnel Disclosures		
Total remuneration paid		
The total remuneration paid to key management personnel of the Company is \$Nil (2018: \$Nil). Directors provide their services pro bono.		
11 Contingencies		
In the opinion of the Directors, the Company did not have any contingencies at 30 September 2019 (30 September 2018: Nil).		

The Australian Rhino Project

ABN: 14 168 809 158

Notes to the Financial Report

For the year ended 30 September 2019

	2019 \$	2018 \$
12 Related Parties		
The following transactions occurred with related parties:		
- Donation in kind	75,000	75,000
- Donation in cash	50,000	-
- Royal Zoological Society of South Australia Inc. (ZSA)	(84,857)	(85,354)

Transactions with related parties, were legal services valued at \$75,000 (2018: \$75,000) provided by the firm in which a director of the Company is a partner. These services were provided pro bono and accounted for as a donation in kind.

Additional related party transactions include donations totalling \$84,857 (2018: \$85,354) made to the Royal Zoological Society South Australia, by which a director of the Company is the Chief Executive. Donations provided to ZSA relates to the project management fees for the Wild Africa Program (\$84,857).

Additionally, the director Allan Davies has donated \$50,000 through the Dalara Foundation during the year.

13 Cash flow information

Reconciliation of net income to net cash provided by operating activities:

Deficit for the year	(3,773)	(45,347)
Changes in assets and liabilities		
- Decrease/(increase) in trade and other receivables	(212)	3,270
- Decrease/(increase) in prepayments	959	(3,008)
- Increase/(decrease) in trade and other payables	(9,699)	(2,835)
- Increase/(decrease) in income taxes payable	(3,028)	1,898
Cash flow from operating activities	(15,753)	(46,022)

14 Events occurring after the reporting date

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

15 Company details

The registered office of the Company is:
Level 26, 259 George Street
Sydney, NSW 2000
Australia