

The Australian Rhino Project

ABN: 14 168 809 158

Financial Statements

For the Year Ended 30 September 2016

The Australian Rhino Project

ABN: 14 168 809 158

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For the Year Ended 30 September 2016

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The Australian Rhino Project

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Directors' Report

30 September 2016

The directors present their report on The Australian Rhino Project for the financial year ended 30 September 2016.

Directors

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

Names	Appointed	Resigned
Allan Davies (Chairman)	28 March 2014	
Ray Dearlove (Founder)	28 March 2014	
Matt Fuller	8 July 2015	31 October 2015
Leanne Piggott	20 August 2014	14 March 2016
George Raffan	28 March 2014	9 December 2015
Mark Stanbridge	28 March 2014	
Paul White	1 July 2014	

Information on the Directors is available on the Company's website - <http://theaustralianrhinoproject.org/>

Principal activities

The principal activities of The Australian Rhino Project during the financial year were sourcing the first 6 rhinos for transferring from South Africa to Australia, continuing to work on obtaining the necessary government approvals to transfer the rhinos and raising the required funding. In addition, significant effort was spent raising awareness of the rhino poaching 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.

Short term objectives

The Company's short term objectives are to transfer the 6 identified rhinos, under threat of being killed by poachers for their horns, from private game farm owners in South Africa to Australia. Once this has been achieved, the focus will be on identifying a further 10 rhinos in South Africa every 6 months or so to transfer to Australia.

Long term objectives

The Company's long term objectives are to establish a breeding herd of up to 80 rhinos in Australia, a place of relative safety and comparable ecology to their native home, as an "insurance population" in the event of extinction of the species in South Africa and to reintroduce rhinos to South Africa when the situation permits.

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 plains zoos. The Company has developed a technical advisory arrangement with Taronga Conservation Society which has extensive experience over a considerable time in bringing wild animals, including rhinos, into Australia and caring for them. In addition, it has formed a relationship with Zoos South Australia which has the capacity to quarantine and house rhinos in an open plains environment. Both these organisations are members of the Australasian Zoos and Aquarium Association which has oversight of the management of these animals.

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Directors' Report

30 September 2016

Strategy for achieving the objectives continued

- Use networks in South Africa to source rhinos for transferring to Australia.
- Approach state/provincial and central governments in Australia and South Africa to obtain the necessary approvals to transfer the rhinos.
- 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. A successful fundraising dinner was held and Investec Australia Limited has become the Company's first major sponsor.

How principal activities assisted in achieving the objectives

The principal activities assisted the Company in achieving its objectives:

- Significant progress has been made in obtaining the necessary approvals from the governments in South Africa and Australia to transfer the rhinos. The final approval required from an Australian government agency is that required from the Department of Agriculture. It is anticipated that the South African government approval will be forthcoming once the Australian Department of Agriculture has completed its investigations and gives its approval.
- The Company has raised the funds required to transfer the first 6 rhinos through donations, sponsorship and successful fundraising dinners.

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 rhino, obtain government approvals, arrange capture, quarantine, transport and 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 four working committees which are responsible for implementing the strategies - Finance, Governance and Audit; Fundraising; Communications and Marketing; Operations.

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Directors' Report

30 September 2016

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 2016 the collective liability of members was \$ 3,500 (2015: \$ 2,600).

Meetings of directors

During the financial year, 12 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Allan Davies	12	12
Ray Dearlove	12	10
George Raffan	3	3
Mark Stanbridge	12	9
Paul White	12	10
Leanne Piggott	6	4
Matt Fuller	1	-

Auditor's independence declaration

The lead auditor's independence declaration for the year ended 30 September 2016 has been received and can be found on page 4 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

Director: 
Allan Davies

Director: 
Mark Stanbridge

Dated: 09 November 2016

Auditors 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 2016 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.

Yours sincerely



Nexia Sydney Partnership
Chartered Accountants



Lester Wills
Partner

Sydney
Dated: 09 November 2016

The Australian Rhino Project

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Independent Audit Report to the members of The Australian Rhino Project**Report on the Financial Report**

We have audited the accompanying financial report of The Australian Rhino Project (the Company), which comprises the statement of financial position as at 30 September 2016, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company'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 Company'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.

Opinion

In our opinion the financial report of The Australian Rhino Project is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the Company's financial position as at 30 September 2016 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Regulations 2013*.

Sydney Office

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Independent Audit Report to the members of The Australian Rhino Project

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

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 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 proscribed 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 2016;
- b) The financial report has been properly drawn up, and the associated records have been properly kept for the financial year ended 30 September 2016, 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 2016 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.

A handwritten signature in blue ink, appearing to read 'Nexia'.

Nexia Sydney Partnership
Chartered Accountants

A handwritten signature in blue ink, appearing to read 'Lester Wills'.

Lester Wills
Partner

Sydney
Dated: 09 November 2016

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Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes thereto satisfy the requirements of 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 or 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.

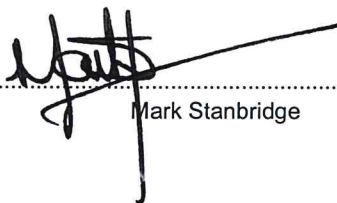
This declaration is made in accordance with a resolution of the Board of Directors.

Director



Allan Davies

Director



Mark Stanbridge

Dated 09 November 2016

The Australian Rhino Project

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 September 2016

	Note	2016 \$	2015 \$
Revenue			
Donations in cash		336,533	424,626
Donations in kind		96,322	95,000
Event revenue - tickets, auctions and raffle	4(b)	123,285	291,673
Grant & sponsorship revenue		53,592	1,750
Merchandise sales		32,897	-
Interest received		7,039	545
Total revenue		649,668	813,594
Expenditure			
Costs		(78,255)	(150,814)
Consulting and professional fees	5	(285,068)	(145,000)
Travel and meeting costs		(31,325)	(29,545)
Other expenses		(65,192)	(23,452)
Surplus/(deficit) for the year		189,828	464,783
Other comprehensive income			
Other comprehensive income for the year		-	-
Total comprehensive income for the year		189,828	464,783

The accompanying notes form part of these financial statements.

The Australian Rhino Project

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Statement of Financial Position

30 September 2016

	Note	2016 \$	2015 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	635,467	500,608
Trade and other receivables	7	9,715	10,953
TOTAL CURRENT ASSETS		<u>645,182</u>	<u>511,561</u>
TOTAL ASSETS		<u>645,182</u>	<u>511,561</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	-	39,207
Deferred revenue	9	-	17,000
TOTAL CURRENT LIABILITIES		<u>-</u>	<u>56,207</u>
TOTAL LIABILITIES		<u>-</u>	<u>56,207</u>
NET ASSETS		<u>645,182</u>	<u>455,354</u>
EQUITY			
Retained earnings		<u>645,182</u>	<u>455,354</u>
TOTAL EQUITY		<u>645,182</u>	<u>455,354</u>

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity

For the Year Ended 30 September 2016

	Retained Earnings \$
Balance at 1 October 2014	(9,429)
Surplus/Deficit for the year	464,783
Balance at 30 September 2015	<u>455,354</u>
Balance at 1 October 2015	<u>455,354</u>
Surplus/Deficit for the year	189,828
Balance at 30 September 2016	<u>645,182</u>

The accompanying notes form part of these financial statements.

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Statement of Cash Flows

For the Year Ended 30 September 2016

	2016	2015
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from donors, events and grants	211,011	310,592
Donations received	432,855	424,626
Payments to suppliers	(516,046)	(240,354)
Interest received	7,039	545
Net cash provided by/(used in) operating activities	14 134,859	495,409
CASH FLOWS FROM INVESTING ACTIVITIES:		
Net cash used by investing activities	-	-
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net cash used by financing activities	-	-
Net increase/(decrease) in cash and cash equivalents held	134,859	495,409
Cash and cash equivalents at beginning of year	500,608	5,199
Cash and cash equivalents at end of financial year	6 635,467	500,608

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 September 2016

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.

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 Commission 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, have 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.

Notes to the Financial Statements

For the Year Ended 30 September 2016

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 equivalents comprise cash on hand, demand deposits and short-term investments which are readily convertible to 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.

Notes to the Financial Statements

For the Year Ended 30 September 2016

4 Fundraising Activities

(a) Fundraising events conducted

During the financial year the following fundraising events were conducted, the monetary result of which are included in the statement of profit or loss and other comprehensive income:

- Gala dinner - June; and
- Film night - July.

(b) Net income from fundraising events

	2016	2015
	\$	\$
Gross revenue from tickets, auctions and raffle	123,285	308,673
Less: unearned (Note 9)	-	(17,000)
	123,285	291,673
Donations received at events (included in Donations in cash)	4,100	87,935
	127,385	379,608
Costs	(78,255)	(150,814)
	49,130	228,794

5 Consulting & professional fees

Legal fees (donated)	75,000	75,000
Audit and accounting fees (donated)	20,000	20,000
Project management fees	190,035	35,000
Public relations fees	-	15,000
	285,068	145,000

6 Cash and cash equivalents

Cash at bank and on hand	635,467	500,608
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7 Trade and other receivables

CURRENT		
GST receivable	6,176	4,953
Other receivables	3,539	6,000
	9,715	10,953

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Notes to the Financial Statements For the Year Ended 30 September 2016

8 Trade and other payables

	2016	2015
	\$	\$
CURRENT		
Trade payables	-	15,560
Accrued expenses	-	23,369
Payable to key management personnel	-	278
	<u>-</u>	<u>39,207</u>

9 Deferred revenue

CURRENT		
Amounts received in advance	-	17,000
	<u>-</u>	<u>17,000</u>

10 Members' Guarantee

The Company is incorporated under the *Corporations Act 2001* 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 2016 the number of members was 70 (2015: 52).

11 Key Management Personnel Disclosures

Total remuneration paid

The total remuneration paid to key management personnel of the Company is \$Nil (2015: \$Nil). Directors provide their services pro bono.

Other key management personnel transactions

For details of other transactions with key management personnel, refer to Note 13: Related Party Transactions.

12 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 September 2016 (30 September 2015: Nil).

Notes to the Financial Statements

For the Year Ended 30 September 2016

13 Related Parties

The following transactions occurred with related parties:

	2016	2015
	\$	\$
Ashurst solicitors - income for services	75,000	75,000

The only transactions with related parties, other than donations made by directors and their associates, were legal services valued at \$75,000 (2015: \$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.

14 Cash Flow Information

Reconciliation of result for the year to cashflows from operating activities

Reconciliation of surplus/(loss) for the year to net cash provided by operating activities:

Surplus/(loss) for the year	189,828	464,783
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	1,238	(10,025)
- (increase)/decrease in inventories	-	636
- increase/(decrease) in trade and other payables	(39,207)	23,015
- increase/(decrease) in other liabilities	(17,000)	17,000
Cashflow from operations	<u>134,859</u>	<u>495,409</u>

15 Events Occurring After the Reporting Date

The financial report was authorised for issue on the 9th of November 2016 by the Board of Directors.

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.