

ANIMALS ASIA FOUNDATION (AUSTRALIA) LIMITED
(a Company Limited by Guarantee)
ABN 53 107 630 357

FINANCIAL REPORT

FOR THE YEAR ENDED
30 JUNE 2018

ANIMALS ASIA FOUNDATION (AUSTRALIA) LIMITED
(a Company Limited by Guarantee)
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018

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General Information

The financial report covers Animals Asia Foundation (Australia) Limited as an individual entity. The financial report is presented in Australian dollars, which is the functional and presentation currency of Animals Asia Foundation (Australia) Limited.

The financial report consists of the financial statements, notes to the financial statements and the directors' declaration.

Animals Asia Foundation (Australia) Limited is a not-for-profit unlisted public company limited by guarantee, a registered charity with the Australian Charities and Not-for-Profits Commission, incorporated and domiciled in Australia. Its registered office and principal place of business are:

5 Gordo St
Aberfoyle Park SA 5159

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

**ANIMALS ASIA FOUNDATION (AUSTRALIA) LIMITED
(a Company Limited by Guarantee)**

**AUDITOR'S INDEPENDENCE DECLARATION UNDER DIVISION 60-40 OF THE AUSTRALIAN CHARITIES
AND NOT-FOR-PROFITS COMMISSION ACT 2012 TO THE BOARD OF
ANIMALS ASIA FOUNDATION (AUSTRALIA) LIMITED**

I declare that to the best of my knowledge and belief, in relation to the audit of Animals Asia Foundation (Australia) Limited for the year ended 30 June 2018 there have been:

- i) no contraventions of the auditor independence requirements as set out in the the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Bruce Carpenter
Registered Company Auditor No 374687

10/10/18

Date

ANIMALS ASIA FOUNDATION (AUSTRALIA) LIMITED
(a Company Limited by Guarantee)
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$	2017 \$
INCOME			
Donations Received		3,049,362	2,998,115
Sales Revenue		100,289	84,050
Interest Received		415	755
In-Kind Donations		40,000	-
TOTAL INCOME		<u>3,190,066</u>	<u>3,082,920</u>
EXPENDITURE			
Advertising & Marketing		284,037	182,539
Depreciation		1,005	1,686
Employee Related Expenses		239,860	192,637
Merchandise Cost		15,246	18,779
Other Expenses	3	<u>119,176</u>	<u>82,251</u>
TOTAL EXPENDITURE		<u>659,324</u>	<u>477,892</u>
SURPLUS BEFORE CHARITABLE DONATIONS PAID		<u>2,530,742</u>	<u>2,605,028</u>
Donations Paid to Animals Asia Foundation Limited		(2,511,991)	(3,115,899)
SURPLUS/(DEFICIT) FOR THE YEAR		<u>18,751</u>	<u>(510,871)</u>
Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		<u><u>18,751</u></u>	<u><u>(510,871)</u></u>

The accompanying notes form part of these financial statements

ANIMALS ASIA FOUNDATION (AUSTRALIA) LIMITED
(a Company Limited by Guarantee)
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018

	Note	2018 \$	2017 \$
CURRENT ASSETS			
Cash & Cash Equivalents	4	230,267	224,422
Trade & Other Receivables	5	28,232	16,682
Other Current Assets	6	9,852	-
TOTAL CURRENT ASSETS		<u>268,351</u>	<u>241,104</u>
NON-CURRENT ASSETS			
Property, Plant & Equipment	7	1,795	502
TOTAL ASSETS		<u>270,146</u>	<u>241,606</u>
CURRENT LIABILITIES			
Trade and Other Payables	8	22,858	12,218
Employee Provisions	9	78,091	68,697
Other Current Liabilities	10	-	10,245
TOTAL LIABILITIES		<u>100,949</u>	<u>91,160</u>
NET ASSETS		<u>169,197</u>	<u>150,446</u>
EQUITY			
Accumulated Funds at the Beginning of the Year		150,446	661,317
Surplus/(Deficit) for the Year		18,751	(510,871)
TOTAL EQUITY		<u>169,197</u>	<u>150,446</u>

The accompanying notes form part of these financial statements

ANIMALS ASIA FOUNDATION (AUSTRALIA) LIMITED
(a Company Limited by Guarantee)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$	2017 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Donors & Customers		3,178,101	3,108,968
Payments to Suppliers & Employees		(658,382)	(467,139)
Payments for Charitable Purposes		(2,511,991)	(3,115,899)
Interest Received		415	755
NET CASH FLOWS FROM OPERATING ACTIVITIES	11	<u>8,143</u>	<u>(473,315)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments for Acquisition of Property, Plant & Equipment		<u>(2,298)</u>	<u>-</u>
NET CASH FLOWS FROM FINANCING ACTIVITIES		<u>(2,298)</u>	<u>-</u>
NET (DECREASE)/ INCREASE IN CASH & CASH EQUIVALENTS		<u>5,845</u>	<u>(473,315)</u>
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		224,422	697,737
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	4	<u><u>230,267</u></u>	<u><u>224,422</u></u>

The accompanying notes form part of these financial statements

ANIMALS ASIA FOUNDATION (AUSTRALIA) LIMITED
(a Company Limited by Guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

1. COMPANY INFORMATION

The financial statements of Animals Asia Foundation (Australia) Limited for the year ended 30 June 2018 were authorised for issue in accordance with a resolution of the directors on dd Month yyyy.

The company is a not-for-profit unlisted public company limited by guarantee and is incorporated and domiciled in Australia.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation

The directors have prepared the financial report on the basis that the company is not a reporting entity as there are unlikely to exist users who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this Special Purpose Financial Report has been prepared for the purposes of complying with the requirements of the Australian Charities and Not-for-profits Commission Act 2012 to prepare and distribute financial statements to the members of Animals Asia Foundation (Australia) Limited.

These financial statements are presented in Australian dollars (\$), and have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and the disclosure requirements of:

AASB 101 Presentation of Financial Statements

AASB 107 Statement of Cash Flows

AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors

AASB 1048 Interpretation and Application of Standards

AASB 1054 Australian Additional Disclosures

These financial statements do not conform with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB).

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values.

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.

b) Income Tax

The company is exempt from income tax pursuant to the Income Tax Assessment Act 1997. Accordingly, Australian Accounting Standard AASB 112 has not been applied and no provision for income tax has been included in the financial reports.

c) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. All revenue is stated inclusive of the amount of goods and services tax (GST).

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Donations collected are recognised as revenue when the Company gains control, economic benefits are probable and the amount of the donation can be measured reliably.

ANIMALS ASIA FOUNDATION (AUSTRALIA) LIMITED
(a Company Limited by Guarantee)
NOTES TO THE FINANCIAL STATEMENTS (CONT.)
FOR THE YEAR ENDED 30 JUNE 2018

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

c) Revenue Recognition (cont.)

Bequests are recognised when the legacy is received. Revenue from legacies comprising bequests of shares or other property are recognised at fair value, being the market value of the shares or property at the date the Company becomes legally entitled to the shares or property.

d) Employee Entitlements

Animals Asia Foundation (Australia) Limited had 6 employees at 30 June 2018. Liabilities for employee benefits for wages, salaries, annual leave and long service leave that are expected to be settled within 12 months of the reporting date representing present obligations resulting from employees' services provided to reporting date, are calculated at undiscounted amounts based on remuneration wage and salary rates that the organisation expects to pay as at reporting date.

Liabilities for long service leave expected to be settled after 12 months from the end of the reporting period are calculated at undiscounted rates. Consideration is given to the Company's experience of employee departures and periods of service.

Non-accumulating non-monetary benefits, such as personal leave, are expensed based on the net marginal cost to the Company as the benefits are taken up by the employees.

Contributions made by the company to employee superannuation funds are charged as expenses when incurred.

e) Goods & Services Tax (GST)

Revenues, expenses and assets are recognised inclusive of the amount of GST. The net GST recovered from the ATO is recognised as a deduction from expenses in the Statement of Comprehensive Income.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

f) Cash & Cash Equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less where the investment is convertible to known amounts of cash and is subject to insignificant risk of changes in value. For the purposes of the statement of cash flow, cash and cash equivalents consist of cash and cash equivalents as defined above, plus term deposits with maturity dates of less than 12 months from balance date net of any outstanding bank overdrafts.

g) Property, Plant & Equipment

Property, plant and equipment are carried at cost less, where applicable, any accumulated depreciation. All assets are depreciated over their useful lives to the company.

Class of Asset	Depreciation Rate
Computer Software	33%
Furniture, Fixtures & Equipment	20% to 50%

3. OTHER EXPENSES

Included in other expenses are in-kind donations amounting to \$40,000.

ANIMALS ASIA FOUNDATION (AUSTRALIA) LIMITED
(a Company Limited by Guarantee)
NOTES TO THE FINANCIAL STATEMENTS (CONT.)
FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
4. CASH & CASH EQUIVALENTS		
Cash at bank	230,267	224,422
5. TRADE & OTHER RECEIVABLES		
Trade Receivables	28,232	16,682
6. OTHER CURRENT ASSETS		
Animals Asia Foundation Limited - current account	9,852	-
7. PROPERTY, PLANT & EQUIPMENT		
Plant & Equipment		
At Cost	20,580	18,282
Accumulated Depreciation	(18,785)	(17,872)
	1,795	410
Software		
At Cost	756	756
Accumulated Depreciation	(756)	(664)
	-	92
Total Property, Plant & Equipment	1,795	502
RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT		
Carrying Amount at Beginning of Financial Year	502	2,188
Additions during the Year	2,298	-
Depreciation for the Year	(1,005)	(1,686)
Total Property, Plant & Equipment	1,795	502
8. TRADE AND OTHER PAYABLES		
Trade Payables	7,500	-
Accruals	15,358	12,218
	22,858	12,218
9. EMPLOYEE PROVISIONS		
Current		
Provision for Annual Leave	20,935	15,420
Provision for Long Service Leave	57,156	53,277
	78,091	68,697
10. OTHER CURRENT LIABILITIES		
Animals Asia Foundation Limited - current account	-	10,245

ANIMALS ASIA FOUNDATION (AUSTRALIA) LIMITED
(a Company Limited by Guarantee)
NOTES TO THE FINANCIAL STATEMENTS (CONT.)
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
11. CASH FLOW INFORMATION		
Reconciliation of operating surplus for the year to net cash flow from operations		
Operating Result	18,751	(510,871)
Non-cash flows in operating result:		
Depreciation	1,005	1,686
Changes in assets and liabilities:		
(Increase)/Decrease in Receivables	(11,550)	10,873
(Increase)/Decrease in Other Assets	(9,852)	3,999
Increase/(Decrease) in Payables	10,640	1,461
Increase/(Decrease) in Other Liabilities	(10,245)	10,245
Increase/(Decrease) in Employee Provisions	9,394	9,292
Cash flows from operating activities	<u>8,143</u>	<u>(473,315)</u>

12. RELATED PARTY TRANSACTIONS

The directors act in an honorary capacity and receive no compensation for their services other than reimbursement of expenses incurred in relation to their capacity as directors.

During the year payments were made to an executive director in her capacity as an employee of the company in accordance with her employment contract.

The decisions made by the Board of the company is significantly influenced by Animals Asia Foundation Limited. Related party transactions and loan balances reflected in the financial statements are as follows:

Donations paid to Animals Asia Foundation Limited	2,511,991	3,115,889
Loan (Payable)/Receivable	9,852	(10,245)

13. MEMBERS GUARANTEE

Animals Asia Foundation (Australia) Limited 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 \$10 each towards meeting any outstanding obligations of the company. The company has three members.

ANIMALS ASIA FOUNDATION (AUSTRALIA) LIMITED
(a Company Limited by Guarantee)
DIRECTORS' DECLARATION

DIRECTORS

The following persons were directors of the company during the whole of the financial year and up to the date of this declaration, unless otherwise stated:

A M Lloyd Jones
J Robinson
A D Searle
P R Bissell

In the directors' opinion:

- a) the company is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in note 1 to the financial statements, the attached special purpose financial statements have been prepared for the purposes of complying with the requirements of the Australian Charities and Not-for-profits Commission Act 2012 to prepare and distribute financial statements to the members of Animals Asia Foundation (Australia) Limited;
- b) the attached financial statements and notes thereto comply with the Australian Charities and Not-for-profits Commission Act 2012, the Accounting Standards as described in note 1 to the financial statements, the Australian Charities and Not-for-profits Commission Regulation 2013 and other mandatory professional reporting requirements;
- c) the attached financial statements and notes thereto give a true and fair view of the company's financial position as at 30 June 2018 and of its performance for the financial year ended on that date; and
- d) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 60.15 (2) of the Australian Charities and Not-for-profits Commission Regulation 2013;


A M Lloyd Jones
Director

Date

3-10-18

Independent Auditor's Report for Animals Asia Foundation (Australia) Limited

Auditor's Opinion

We have audited the financial report, being a special purpose financial report, of Animals Asia Foundation (Australia) Limited for the year ended 30 June 2018, comprising the statement of financial position, statement of comprehensive Income, 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.

In our opinion, the financial report of Animals Asia Foundation (Australia) Limited has been prepared in accordance with the requirements of Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

- (a) giving a true and fair view of the registered entity's financial position as at 30 June 2018 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1, 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 entity in accordance with the independence requirements of the Australian Charities and Not-for-profits Commission Act 2012 and 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 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.

Information Other than the Financial Report and Auditor's Report Thereon

The responsible persons of the entity are responsible for the other information. The other information comprises the information included in the entity's annual report for the year ended 30 June 2018, but does not include the financial report and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial report does not cover the other information and accordingly 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.

When we read the annual report, if we conclude that there is a material misstatement therein, we will communicate the matter to the responsible persons.

The Responsibility of the Responsible Persons for the Financial Report

The responsible persons of the entity are responsible for the preparation and fair presentation of the financial report, and have determined that the accounting policies used and described in Note 1 to the financial statements, which form part of the financial reports, are appropriate to meet the financial reporting requirements of the members and of the Australian Charities and Not-for-profits Commission Act 2012. The responsible persons' responsibility also includes such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the entity'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 management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

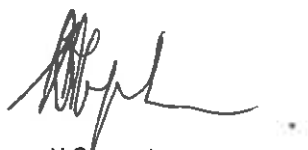
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Committee website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

Basis of Accounting and Restriction and Distribution of Use

Without modifying our opinion, we draw attention to the fact that the financial report is prepared to assist Animals Asia Foundation (Australia) Limited to comply with the financial reporting provisions of the Australian Charities and Not-for-profits Commission Act 2012. As a result, the financial report may not be suitable for another purpose.

Level 8, 185 Victoria Square
ADELAIDE SA 5000



Bruce H Carpenter

Registered Company Auditor No 374687

Dated: 10 October 2018