

**ANIMALS ASIA FOUNDATION (AUSTRALIA) LIMITED**  
**(a company limited by guarantee)**  
**ABN 53 107 630 357**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED**  
**30 JUNE 2017**

**ANIMALS ASIA FOUNDATION (AUSTRALIA) LIMITED**  
**(a company limited by guarantee)**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2017**

**CONTENTS**

	Page
Directors' Report	2
Directors' Declaration	3
Statement of Comprehensive Income	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Notes to the Financial Statements	8
Auditor's Independence Declaration	12
Independent Auditor's Report	13

**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, 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)**  
**DIRECTORS' REPORT**

The directors present their report, together with the financial statements, on the company for the financial year ended 30 June 2017.

**DIRECTORS**

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

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

**REVIEW OF OPERATIONS**

The surplus of the company before any donations paid to Animals Asia Foundation Limited for the financial year ended 30 June 2017 was: \$2,605,028 (30 June 2016: \$1,973,875).

A review of the company's operations during the financial year and the results of those operations are as follows:

- a) in the opinion of the directors the company performed as expected given the nature of the company's ongoing operations;
- b) The principal activities of the company during the financial year were to raise funds as a not-for-profit organisation seeking donations for wildlife protection, in particular to improve the lives of all animals in Asia and to end cruelty and restore respect for all animals Asia wide;
- c) No significant changes occurred in the company's state of affairs or nature of its activities during the financial year;
- d) 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;
- e) Likely developments in the operations of the company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company;
- f) The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory; and
- g) Charitable donations amounting to \$3,115,899 (2016: \$2,090,490) were made to Animals Asia Foundation Limited during the year.

**WINDING UP**

The amount that each member of the company is liable to contribute if the company is wound up is \$10. The company has 3 members.

**AUDITOR'S INDEPENDENCE DECLARATION**

A copy of the auditor's independence declaration as required under division 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 is set out on page 12.

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



A M Lloyd Jones  
Director

Date: 22 September 2017

**ANIMALS ASIA FOUNDATION (AUSTRALIA) LIMITED**  
**(a company limited by guarantee)**  
**DIRECTORS' DECLARATION**

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 2017 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;



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A M Lloyd Jones  
Director

Date: 22 September 2017

**ANIMALS ASIA FOUNDATION (AUSTRALIA) LIMITED**  
**(a company limited by guarantee)**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	Note	2017 \$	2016 \$
<b>INCOME</b>			
Donations Received		2,998,115	2,271,885
Sales Revenue		84,050	117,127
Interest		755	450
<b>TOTAL INCOME</b>		<u>3,082,920</u>	<u>2,389,462</u>
<b>EXPENDITURE</b>			
Advertising & Marketing		182,539	159,220
Depreciation		1,686	2,205
Employee Related Expenses		192,637	170,717
Merchandise Cost		18,779	25,129
Other Expenses		82,251	58,316
<b>TOTAL EXPENDITURE</b>		<u>477,892</u>	<u>415,587</u>
<b>SURPLUS BEFORE CHARITABLE DONATIONS PAID</b>		<u>2,605,028</u>	<u>1,973,875</u>
Donations Paid to Animals Asia Foundation Limited		(3,115,899)	(2,090,490)
<b>NET DEFICIT FOR THE YEAR</b>		<u>(510,871)</u>	<u>(116,615)</u>
Other Comprehensive Income		-	-
<b>TOTAL COMPREHENSIVE DEFICIT FOR THE YEAR</b>		<u><u>(510,871)</u></u>	<u><u>(116,615)</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 2017**

	Note	2017 \$	2016 \$
<b>CURRENT ASSETS</b>			
Cash & Cash Equivalents	2	224,422	697,737
Trade & Other Receivables	3	16,682	27,555
Other Current Assets	4	-	3,999
<b>TOTAL CURRENT ASSETS</b>		<u>241,104</u>	<u>729,291</u>
<b>NON-CURRENT ASSETS</b>			
Property, Plant & Equipment	5	<u>502</u>	<u>2,188</u>
<b>TOTAL ASSETS</b>		<u>241,606</u>	<u>731,479</u>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	6	12,218	10,757
Employee Provisions	7	68,697	59,405
Other Current Liabilities	4	10,245	-
<b>TOTAL CURRENT LIABILITIES</b>		<u>91,160</u>	<u>70,162</u>
<b>TOTAL LIABILITIES</b>		<u>91,160</u>	<u>70,162</u>
<b>NET ASSETS</b>		<u>150,446</u>	<u>661,317</u>
<b>EQUITY</b>			
Retained Earnings		150,446	661,317
<b>TOTAL EQUITY</b>		<u>150,446</u>	<u>661,317</u>

The accompanying notes form part of these financial statements

**ANIMALS ASIA FOUNDATION (AUSTRALIA) LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	RESERVES \$	RETAINED EARNINGS \$	EQUITY \$
<b>BALANCE AT 1 JULY 2015</b>	246,359	531,573	777,932
Total Comprehensive Deficit for the Year	-	(116,615)	(116,615)
Transfer Reserves to Retained Earnings	(246,359)	246,359	-
<b>BALANCE AT 30 JUNE 2016</b>	<u>-</u>	<u>661,317</u>	<u>661,317</u>
Total Comprehensive Deficit for the Year	-	(510,871)	(510,871)
<b>BALANCE AT 30 JUNE 2017</b>	<u><u>-</u></u>	<u><u>150,446</u></u>	<u><u>150,446</u></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 2017**

	Note	2017 \$	2016 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Donors & Customers		3,108,968	2,374,838
Payments to Suppliers & Employees		(467,139)	(270,901)
Payments for Charitable Purposes		(3,115,899)	(2,090,490)
Interest Received		755	450
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	8	<u>(473,315)</u>	<u>13,897</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from Sale of Property, Plant & Equipment		-	478,648
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>		<u>-</u>	<u>478,648</u>
<b>NET (DECREASE)/ INCREASE IN CASH &amp; CASH EQUIVALENTS</b>		<u>(473,315)</u>	<u>492,545</u>
<b>CASH &amp; CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>		697,737	205,192
<b>CASH &amp; CASH EQUIVALENTS AT THE END OF THE YEAR</b>	2	<u><u>224,422</u></u>	<u><u>697,737</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 2017**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**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 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 or, except where stated, current valuations of non-current assets.

**b) Significant Accounting Judgements & Estimates**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

There are no estimates or judgements which have risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

**c) 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.

**d) 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).

**ANIMALS ASIA FOUNDATION (AUSTRALIA) LIMITED**  
**(a company limited by guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT.)**  
**FOR THE YEAR ENDED 30 JUNE 2017**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

**d) Revenue Recognition (cont.)**

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.

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.

**e) Employee Entitlements**

Animals Asia Foundation (Australia) Limited had two employees at 30 June 2017. 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.

**f) 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.

**g) 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.

**h) Property, Plant & Equipment**

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

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

**ANIMALS ASIA FOUNDATION (AUSTRALIA) LIMITED**  
**(a company limited by guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT.)**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	2017	2016
	\$	\$
<b>2. CASH &amp; CASH EQUIVALENTS</b>		
Cash at bank	224,422	697,737
<b>3. TRADE &amp; OTHER RECEIVABLES</b>		
Trade Receivables	16,682	27,555
<b>4. OTHER CURRENT ASSETS</b>		
Animals Asia Foundation Limited - current account	-	3,999
<b>OTHER CURRENT LIABILITIES</b>		
Animals Asia Foundation Limited - current account	10,245	-
<b>5. PROPERTY, PLANT &amp; EQUIPMENT</b>		
<b>Plant &amp; Equipment</b>		
At Cost	18,282	18,282
Accumulated Depreciation	(17,872)	(16,436)
	410	1,846
<b>Software</b>		
At Cost	756	756
Accumulated Depreciation	(664)	(414)
	92	342
	502	2,188
<b>RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT</b>		
Carrying amount at beginning of financial year	2,188	483,041
Disposals during the year	-	(478,648)
Depreciation for the year	(1,686)	(2,205)
Carrying amount as beginning of financial year	502	2,188
<b>6. TRADE AND OTHER PAYABLES</b>		
Accruals	12,218	10,757
<b>7. EMPLOYEE PROVISIONS</b>		
<b>i) Current</b>		
Provision for Annual Leave	15,420	14,704
Provision for Long Service Leave	53,277	44,701
	68,697	59,405

**ANIMALS ASIA FOUNDATION (AUSTRALIA) LIMITED**  
**(a company limited by guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT.)**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	2017 \$	2016 \$
<b>8. CASH FLOW INFORMATION</b>		
<b>Reconciliation of operating surplus for the year to net cash flow from operations</b>		
Operating Result	(510,871)	(116,615)
Non-cash flows in operating result:		
Depreciation	1,686	2,205
Changes in assets and liabilities:		
(Increase)/Decrease in Receivables	10,873	(14,174)
(Increase)/Decrease in Other Assets	14,244	140,131
Increase/(Decrease) in Other Liabilities	1,461	2,217
Increase/(Decrease) in Employee Provisions	9,292	133
Cash flows from operating activities	<u>(473,315)</u>	<u>13,897</u>

**9. 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 follow:

Donations paid to Animals Asia Foundation Limited	3,115,899	2,090,490
Loan (Payable) Receivable	(10,245)	3,999

**10. 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)**

**AUDITOR'S INDEPENDENCE DECLARATION UNDER DIVISION 60-40 OF THE AUSTRALIAN  
CHARITIES AND NOT-FOR-PROFIT 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 2017 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

Dated: 28 September 2017

## **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 2017, comprising the statement of financial position, statement of comprehensive Income, statement of changes in equity and statement of cash flows for the year then ended, and 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 2017 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 is responsible for the other information. The other information comprises the information included in the entity's annual report for the year ended 30 June 2017, 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 the 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:** 28 September 2017