

ANIMALS ASIA FOUNDATION (AUSTRALIA) LIMITED
(a company limited by guarantee)

ABN 53 107 630 357

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2014

Animals Asia Foundation (Australia) Limited
(a company limited by guarantee)
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2014

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
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 Animals Asia Foundation (Australia) Limited's functional and presentation currency.

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:

Registered office:
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 period ended 30 June 2014.

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 profit of the company for the financial year ended 30 June 2014 was: \$1,247,416

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) Transfers to Hong Kong of \$1,320,000 were made during the year.

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


A M Lloyd Jones
Director

Dated: 26 October 2014

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 Corporations Act 2001 requirements to prepare and distribute financial statements to the members of Animals Asia (Australia) Limited;
- b) the attached financial statements and notes thereto comply with the Corporations Act 2001, the Accounting Standards as described in note 1 to the financial statements, the Corporations Regulations 2001 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 2014 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 295(5) of the Corporations Act 2001.


A M Lloyd Jones
Director

Dated: 26 October 2014

Animals Asia Foundation (Australia) Limited
(a company limited by guarantee)
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
INCOME			
Donations & Sales Received		1,670,831	2,148,862
Other Income			
Interest		395	1,798
Profit on Sale of Non-Current Assets		-	800
TOTAL INCOME		<u>1,671,226</u>	<u>2,151,460</u>
EXPENDITURE			
Financial Services			
Accountancy & Audit Fees		5,555	4,625
Bank Charges		6,747	3,922
Bankcard Fees		<u>11,946</u>	<u>27,142</u>
		24,248	35,689
Equipment Expenses			
Equipment		1,362	-
Depreciation		<u>1,894</u>	<u>819</u>
		3,256	819
Salaries & On-Costs			
Superannuation		14,772	13,371
Wages		161,985	158,328
WorkCover		3,028	3,606
Annual Leave Provision		16,149	-
Long Service Leave Provision		<u>42,351</u>	<u>-</u>
		238,285	175,305
General Expenses			
Advertising		127,065	97,190
Food & Beverage		-	133
Freight & Cartage		1,692	1,355
Insurance		2,785	2,712
Interest Paid to Related Corporations		-	292
Postage		5,611	9036
Printing & Stationery		3,103	6,658
Professional Fees		178	24,267
Storage Fees		5,622	5,394
Sundry Expenses		601	397
Telephone		8,161	7,643
Travelling Expenses		8,309	19,501
GST Refunded		<u>(14,519)</u>	<u>(15,042)</u>
		148,608	159,536
TOTAL EXPENDITURE		<u>414,397</u>	<u>371,349</u>
OPERATING SURPLUS		<u>1,256,829</u>	<u>1,780,111</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 2014

	Note	2014 \$	2013 \$
CURRENT ASSETS			
Cash & Cash Equivalents	2	186,003	221,364
Trade & Other Receivables	3	9,625	2,245
Other Assets	4	<u>77,202</u>	<u>53,759</u>
TOTAL CURRENT ASSETS		<u>272,830</u>	<u>277,368</u>
NON-CURRENT ASSETS			
Property Plant & Equipment	5	1,354	1,365
TOTAL ASSETS		<u>274,184</u>	<u>278,733</u>
CURRENT LIABILITIES			
Other Liabilities	6	3,252	249,489
Employee Provisions	7 (i)	<u>57,697</u>	<u>-</u>
TOTAL CURRENT LIABILITIES		<u>60,949</u>	<u>249,489</u>
NON-CURRENT LIABILITIES			
Employee Provisions	7 (ii)	803	-
TOTAL LIABILITIES		<u>61,752</u>	<u>249,489</u>
NET ASSETS		<u>212,432</u>	<u>29,244</u>
ACCUMULATED FUNDS			
Opening Accumulated Funds		29,244	34,133
Transfer to Reserves	8	246,359	-
Net Surplus		<u>(63,171)</u>	<u>(4,889)</u>
TOTAL ACCUMULATED FUNDS		<u>212,432</u>	<u>29,244</u>

The accompanying notes form part of these financial statements

Animals Asia Foundation (Australia) Limited
(a company limited by guarantee)
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2014

	Note	Retained Surplus \$
BALANCE AT 1 JULY 2012		34,133
Total Comprehensive Income for the Year		1,780,111
Transfers to Animals Asia - Hong Kong		<u>(1,785,000)</u>
BALANCE AT 30 JUNE 2013		29,244
BALANCE AT 1 JULY 2013		29,244
Total Comprehensive Income for the Year		1,256,829
Transfer to Reserves	8	246,359
Transfers to Animals Asia - Hong Kong		<u>(1,320,000)</u>
BALANCE AT 30 JUNE 2014		<u><u>212,432</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 2014

	Note	2014 \$	2013 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers		1,649,421	2,149,662
Payments to Suppliers and Employees		(363,293)	(392,593)
Interest Received		395	1,798
NET CASH FLOWS FROM OPERATING ACTIVITIES		<u>1,286,523</u>	<u>1,758,867</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Asset Acquisition		(1,884)	-
Transfers to Animals Asia - Hong Kong		(1,320,000)	(1,785,000)
NET CASH FLOWS FROM FINANCING ACTIVITIES		<u>(1,321,884)</u>	<u>(1,785,000)</u>
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS		<u>(35,361)</u>	<u>(26,133)</u>
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		221,364	247,497
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	2	<u><u>186,003</u></u>	<u><u>221,364</u></u>

The accompanying notes form part of these financial statements

Animals Asia Foundation (Australia) Limited
(a company limited by guarantee)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

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 Corporations Act 2001 requirements 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 1031 'Materiality'
AASB 1048 'Interpretations and Application of Standards'
AASB 1054 'Australian Additional Disclosures'

These Financial Statements do not conform with International Financial Reporting Standards as issues 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.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

b) Significant Accounting Judgements and 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 Association 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 Accounts.

Animals Asia Foundation (Australia) Limited
(a company limited by guarantee)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

d) Revenue Recognition

All revenue is stated net of the amount of goods and services tax (GST). Income arising from the contribution of an asset to the association is recognised when the association obtains control of the contribution or the right to receive the contribution, and it is probable that the economic benefits comprising the contribution will flow to the association and the amount of the contribution can be measured reliably.

e) Employee Entitlements

Animals Asia Foundation (Australia) Limited had four employees at 30 June 2014. 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 Association's experience of employee departures and periods of service.

Non-accumulating non-monetary benefits, such as sick leave, are expensed based on the net marginal cost to the Association 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 and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

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 and 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, independent of directors' valuation. 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.

Computer Software	33%
Furniture, fixtures and equipment	20% to 50%

Animals Asia Foundation (Australia) Limited
(a company limited by guarantee)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

2. CASH & CASH EQUIVALENTS

For the purposes of the statement of cash flows, the entity considers cash to include cash on hand and cash in bank accounts. Cash as at the end of the reporting period as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

	2014 \$	2013 \$
Cash at bank	<u>186,003</u>	<u>221,364</u>

3. TRADE & OTHER RECEIVABLES

Trade Receivables	3,055	-
GST Refundable	<u>6,570</u>	<u>2,245</u>
	<u>9,625</u>	<u>2,245</u>

4. OTHER ASSETS

Hong Kong Loan Account	<u>77,202</u>	<u>53,759</u>
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5. PROPERTY PLANT & EQUIPMENT

Movements Movements in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

	Plant and Equipment \$
Cost or fair value	
At 30 June 2012	12,376
Additions	-
Disposals	<u>-</u>
At 30 June 2013	<u>12,376</u>
Additions	1,884
Disposals	<u>-</u>
At 30 June 2014	<u>14,260</u>
Accumulated Depreciation	
At 30 June 2012	10,192
Charge for Year	<u>819</u>
At 30 June 2013	<u>11,011</u>
Charge for Year	1,894
Disposals	<u>-</u>
At 30 June 2014	<u>12,906</u>
Net carrying amount	
At 30 June 2013	<u>1,365</u>
At 30 June 2014	<u>1,354</u>

Animals Asia Foundation (Australia) Limited
(a company limited by guarantee)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
6. OTHER LIABILITIES			
Credit card		630	490
PAYG payable		2,622	2,640
Loan - Animals ASIA Foundation Inc	8	-	246,359
		<u>3,252</u>	<u>249,489</u>
7. EMPLOYEE PROVISIONS			
i) Current			
Provision for Annual Leave		16,149	-
Provision for Long Service Leave		41,548	-
		<u>57,697</u>	<u>-</u>
ii) Non-Current			
Provision for Long Service Leave		<u>803</u>	<u>-</u>

Employee Provisions were not previously brought to account. The impact of this change in policy for the year ended 30 June 2014 was a reduction in the operating surplus of \$58,500

8. RESERVES			
Transfer from Loan - Animals ASIA Foundation Inc		<u>246,359</u>	<u>-</u>

At 30 June 2014 a loan balance owing to Animals ASIA Foundation Inc was transferred to Reserves as the entity "Animals ASIA Foundation Inc" was de-registered in 2004. All funds on the wind-up of that Association were to be transferred to Animals Asia (Australia) Limited as general reserves for use in accordance with the company's objectives. This transfer was not formalised at the time of the winding up and had been carried as a loan in the company's books.

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 Anne Lloyd-Jones in her capacity as an employee of the company; being wages of \$80,400 and superannuation guarantee payments of \$7,347.

10. MEMBERS GUARANTEE

The company is a Charitable Institution.

The company is 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.

As at 30 June 2014 the number of members is 3. (2013: 3)

Animals Asia Foundation (Australia) Limited

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF ANIMALS ASIA FOUNDATION (AUSTRALIA) LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2014 there have been:-

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Dated: 26 October 2014



Bruce H Carpenter
Registered Company Auditor No 374687

C/- Freer Parker & Associates
40 Sturt Street
ADELAIDE SA 5000

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF
ANIMALS ASIA FOUNDATION (AUSTRALIA) LIMITED**

Report on the Financial Report

We have audited the accompanying financial report of **Animals Asia Foundation (Australia) Limited**, which comprises the statement of financial position as at 30 June 2014, the statement of 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 director's declaration.

Directors' Responsibility for the Financial Report.

The directors of the company are responsible for the preparation of a financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*, and for such internal control as the directors determine is necessary to enable the preparation of a 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 have 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 entity's preparation of a 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 entity'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.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion the financial report of **Animals Asia Foundation (Australia) Limited** is in accordance with the *Corporations Act 2001*, including:

- i) giving a true and fair view of the company's financial position as at 30 June 2014 and of its performance for the period ended on that date; and
- ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.



Bruce H Carpenter
Registered Company Auditor No 374687

C/- Freer Parker & Associates
40 Sturt Street
ADELAIDE SA 5000

Dated: 6 November 2014