

FREE THE BEARS FUND (INC)
ABN 23 763 253 031

SPECIAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2015

INDEX

Statement by Board of Management

Independent Auditor's Report

Income Statement

Balance Sheet

Statement of Changes in Equity

Cash Flows Statement

Notes to the Financial Statements

FREE THE BEARS FUND (INC)
ABN 23 763 253 031

STATEMENT BY BOARD OF MANAGEMENT
FOR YEAR ENDED 30 JUNE 2015

The board of management has determined that Free The Bears Fund (Inc) ("Association") is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the board of management, the special purpose financial report:

1. Presents fairly the financial position of the Association as at 30 June 2015 and its performance for the year then ended on that date;
2. The operations of the Association have been carried out in accordance with its Constitution and the *Charitable Collections Act 1946*; and
3. At the date of this statement, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with a resolution of the board of management and is signed for on behalf of the board of management by:



Mary Hutton (Chairperson)

26/2/2016

Date

FREE THE BEARS FUND (INC)
ABN: 23 763 253 031

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014
	\$	\$
SALES		
Sales	80,343	110,795
LESS COST OF GOODS SOLD		
Opening stock	57,707	59,429
Purchases	28,228	47,220
	<hr/>	<hr/>
	85,935	106,649
Closing Stock	(48,138)	(57,707)
TOTAL COST OF GOODS SOLD	<hr/>	<hr/>
	37,797	48,942
GROSS PROFIT FROM TRADING	<hr/>	<hr/>
	42,546	61,853

The accompanying notes form part of these financial statements



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FREE THE BEARS FUND (INC)

We have audited the accompanying financial report, being a special purpose financial report, of Free The Bears Fund (Inc) ("Association"), which comprises the balance sheet as at 30 June 2015, and the income statement, statement of changes in equity and statement of cash flows for the year then ended, as well as notes comprising a summary of significant accounting policies and other explanatory information, and the statement by the board of management.

The Board of Management's Responsibility for the Financial Report

The board of management of the Association is responsible for the preparation of the financial report, and have determined that the basis of preparation described in Note 1 to the financial statements, is appropriate to meet the requirements of the Charitable Collections Act 1946 and is appropriate to meet the needs of the members. The board of management's responsibility also includes such internal control as the board of management determine is necessary to enable the preparation of a financial report that 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. These Auditing Standards require that we comply with relevant ethical requirements 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 and fair presentation of the financial report 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 board of management, 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 qualified audit opinion.

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RSM Australia Pty Ltd ACN 009 321 377 at Birdanco Practice Trust ABN 65 319 382 479 trading as RSM

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Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Basis for Qualified Opinion

Donations of \$450,869 (2014: \$757,608), bequests of \$215,319 (2014: \$180,569), sponsorship receipts of \$211,728 (2014: \$242,474), fundraising of \$108,716 (2014: \$74,961), grants of \$94,950 (2014: \$2,000) and volunteer programmes of \$47,775 (2014: \$42,697) are significant sources of revenue for the Association. The Association has determined that it is impracticable to establish control over the collection of revenue from these sources prior to entry into its financial records. Accordingly, as the evidence available to us regarding revenue from these sources was limited, our audit procedures with respect to revenue from these sources, had to be restricted to the amounts recorded in the financial records. We therefore are unable to express an opinion whether revenue from these sources the Association obtained are complete.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis of Qualified Opinion paragraph, the financial report presents fairly, in all material respects, the financial position of the Association as at 30 June 2015 and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Basis of Accounting

Without further modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial report has been prepared to assist the Association to meet the requirements of the *Charitable Collections Act 1946*. As a result, the financial report may not be suitable for another purpose.

RSM
RSM AUSTRALIA PTY LTD


TUTU PHONG
Director

Perth, WA
Dated: 26 February 2016

FREE THE BEARS FUND (INC)
ABN: 23 763 253 031

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014
	\$	\$
EXPENDITURE		
Advertising	6,649	1,159
Audit fees	-	-
Bank charges	6,519	7,389
Computer costs	4,050	827
Depreciation	813	996
Expo space hire	10,332	2,391
Freight and couriers	-	62
Fundraising costs	68,045	31,038
Office and general expenses	12,833	4,687
Insurance	2,511	3,771
Intrepid foundation donations	-	5,000
Internet web expense	7,811	4,791
Overseas Sanctuary Expenditure		
- Cambodia (incl Kouprey Express)	532,714	452,166
- India	390,000	358,920
- Laos	58,069	112,326
- Thailand	11,688	6,000
- Vietnam	-	1,700
- Indonesia	7,131	-
- Borneo	-	5,500
- Veterinary Supplies	<u>1,146</u>	<u>1,512</u>
Sub-Total	1,000,748	938,124
Paypal expenses	2,144	4,712
Repairs and maintenance	506	1,787
Superannuation contributions	10,187	5,734
Telephone, stationery, postage and photocopying	38,085	57,971
Travelling expenses	3,718	21,338
Other	-	9,701
Salaries	104,420	83,384
TOTAL EXPENDITURE	<u>1,279,371</u>	<u>1,184,862</u>
OTHER INCOME		
Donations	450,869	757,608
Bequests	215,319	180,569
Sponsorship	211,728	242,474
Fund raising	108,716	74,961
Grants	94,950	2,000
Volunteer programmes	47,775	42,697
Members' subscriptions	27,643	31,342
Interest received	3,952	3,740
Other	4,525	7,393
TOTAL OTHER INCOME	<u>1,165,477</u>	<u>1,342,784</u>
(Deficit)/Surplus for the year	(71,348)	219,775
Accumulated surplus at the beginning of the year	524,970	305,195
Accumulated surplus at the end of the year	<u>453,622</u>	<u>524,970</u>

The accompanying notes form part of these financial statements

FREE THE BEARS FUND (INC)
ABN: 23 763 253 031

BALANCE SHEET
AS AT 30 JUNE 2015

	Notes	2015 \$	2014 \$
CURRENT ASSETS			
Cash and cash equivalents	2	518,197	554,852
Trade and other receivables	3	313	1,445
Inventories	4	48,138	57,707
Prepayments	5	1,397	-
TOTAL CURRENT ASSETS		568,045	614,004
NON-CURRENT ASSETS			
Plant and equipment	6	26,089	3,989
TOTAL NON-CURRENT ASSETS		26,089	3,989
TOTAL ASSETS		594,134	617,993
CURRENT LIABILITIES			
Trade and other payables	7	133,217	85,871
Provisions	8	7,295	7,152
TOTAL CURRENT LIABILITIES		140,512	93,023
TOTAL LIABILITIES		140,512	93,023
NET ASSETS		453,622	524,970
MEMBERS' FUNDS			
Accumulated surplus		453,622	524,970
TOTAL MEMBERS' FUNDS		453,622	524,970

The accompanying notes form part of these financial statements

FREE THE BEARS FUND (INC)
ABN: 23 763 253 031

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014
	\$	\$
Accumulated surplus at beginning of year	524,970	305,195
Net (deficit)/surplus for the year	<u>(71,348)</u>	<u>219,775</u>
Accumulated surplus at end of year	<u>453,622</u>	<u>524,970</u>

The accompanying notes form part of these financial statements

FREE THE BEARS FUND (INC)
ABN: 23 763 253 031

CASH FLOWS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2015

	Notes	2015 \$	2014 \$
Cash flows from operating activities			
Receipts from customers		1,290,527	1,524,244
Overseas sanctuary expenditure		(1,000,748)	(938,124)
Payments to suppliers		(279,245)	(240,817)
Cost of goods sold		(37,797)	(48,942)
Inventories		9,569	1,748
Interest received		3,952	3,740
Net cash provided by/(used in) operating activities	9(b)	(13,742)	301,849
Cash flows from financing activities			
Payment for property, plant and equipment		(22,913)	-
Net cash used in financing activities		(22,913)	-
Net increase/(decrease) in cash held		(36,655)	301,849
Cash at the beginning of the financial year		554,852	253,003
Cash at the end of the financial year	9(a)	518,197	554,852

The accompanying notes form part of these financial statements

FREE THE BEARS FUND (INC)
ABN: 23 763 253 031

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared for the purposes of complying with the *Charitable Collections Act 1946*. Reports prepared under the *Charitable Collections Act 1946* satisfy the financial statement lodgement requirements of the Australian Charities and Not-for-profits Commission. The board of management has determined that the Association is not a reporting entity and therefore, there is no requirement to apply Australian Accounting Standards in the preparation and presentation of this financial report. The board of management have determined that the accounting policies adopted are appropriate to meet the needs of the members of the Association's Constitution. The Association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial report is 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 valuation of non-current assets. The accounting policies have been consistently applied, unless otherwise stated.

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.

Property, Plant and Equipment

Depreciation is provided on plant and equipment on the diminishing value method and applying a depreciation rate of 20%.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

Inventories

Inventories (where applicable) are measured at the lower of cost and net realisable value. Costs are assigned on a first-in first-out basis.

Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Income Tax

The Association is exempt from income tax under the provision of subsection 30-55(1) of the Income Tax Assessment Act 1997.

FREE THE BEARS FUND (INC)
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue

Fundraising income received, by its nature can only be recognised when it is recorded in the accounting records of the Association.

Grant and donation income is recognised when the entity obtains control over the funds which is generally at the time of receipt.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

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.

Accounts Payable and Other Payables

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

Provisions

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled.

	2015	2014
	\$	\$
2. CASH AND CASH EQUIVALENTS		
Undeposited Funds	18,059	33,720
Cash at bank – CBA	9,532	10,854
Cash at bank – CBA Public Fund	150,890	184,823
Cash at bank – CBA Term Deposit	132,018	103,266
Cash on hand	275	117
Designated Funds Deposit	207,423	222,072
	518,197	554,852
	518,197	554,852
3. TRADE AND OTHER RECEIVABLES		
Trade debtors	38	-
GST receivable	275	1,445
	313	1,445
	313	1,445

FREE THE BEARS FUND (INC)
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

	2015	2014
	\$	\$
4. INVENTORIES		
Stock on hand	48,138	57,707
	48,138	57,707
5. PREPAYMENTS		
Prepayments	1,397	-
	1,397	-
6. PLANT AND EQUIPMENT		
Plant and equipment - at cost	55,475	32,562
Accumulated depreciation	(29,386)	(28,573)
	26,089	3,989
	26,089	3,989
7. TRADE AND OTHER PAYABLES		
Trade Creditors	10,298	3,686
Superannuation Payable	2,158	554
PAYG Withholding	1,868	1,902
Accruals	118,131	77,488
Other Payables	762	2,241
	133,217	85,871
	133,217	85,871
8. PROVISIONS		
Provision for annual Leave	7,295	7,152
TOTAL PROVISIONS	7,295	7,152
	7,295	7,152

FREE THE BEARS FUND (INC)
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

	2015	2014
	\$	\$
9. CASH FLOWS INFORMATION		
(a) Reconciliation of cash		
For the purposes of the cash flows statement, cash is reconciled to the related items in the balance sheet as follows:		
Cash in bank	517,922	554,735
Cash on hand	275	117
	518,197	554,852
(b) Reconciliation of net cash provided by operating activities to net surplus after income tax		
Net surplus after income tax	(71,348)	219,775
Depreciation	813	996
Movement in assets and liabilities		
Creditors and accruals	47,346	68,698
Inventories	9,569	1,748
GST receivable	1,170	(1,445)
Provisions	143	7,152
Prepayments	(1,397)	-
Debtors	(38)	4,925
	(13,742)	301,849