

**AUSTRALIAN ANIMAL PROTECTION SOCIETY LTD**  
**ABN 51 004 948 716**

**FINANCIAL REPORT**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2017**

**Liability limited by a scheme approved under  
Professional Standards Legislation**

**AUSTRALIAN ANIMAL PROTECTION SOCIETY LTD**  
**ABN 51 004 948 716**

**DIRECTORS' REPORT**

The directors present their report on the company for the financial year ended 31 December 2017.

**Information on Directors**

The names of each person who has been a director during the year and to the date of this report are:

Pat King (Resigned 31/1/17 )  
Christine Giles (Resigned 12/5/2017)  
Elaine Small (Resigned 3/5/2017, Reappointed 27/5/2017, Retired 1/9/2017)  
Jill Womersley (Resigned 8/5/2017)  
Megan Seccull (Resigned 2/5/17, Reappointed 27/5/2017)  
Mandy Nichols (Resigned 7/5/2017)  
Janine Meyer ( Resigned 7/5/2017)  
David Brann (Resigned 7/5/2017)  
Rhona Van Der Kaay (Resigned 3/5/2017 - Reappointed 27/5/2017)  
Susan Thompson (Appointed 27/5/2017)  
Louise Jardine (Appointed 27/5/2017)  
Belinda Oppenheimer (Appointed 27/5/2017, Resigned 3/11/2017)  
Graham Ambrose (Appointed 27/5/2017)  
Andrew Stopp (Appointed 27/5/2017)  
Andrew Fielder (Co-opted 3/9/2017)  
Jo Crawford (Co-opted 14/5/2017, Resigned 20/5/2017)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

**Operating Results**

The profit of the company after providing for income tax amounted to \$9,572,899.

**Significant Changes in the State of Affairs**

There have been no significant changes in the state of affairs of the Company during the year.

**Principal Activities**

The principal activities of the company during the financial year were protection of animals and care and welfare of animals.

No significant changes in the nature of the company's activity occurred during the financial year.

**Events After the Reporting Date**

On 30<sup>th</sup> June 2018 the company must vacate its existing location. At the date of this report alternative premises have been found that will cause a reduction in the level of company activity.

**Environmental Issues**

The company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

**Dividends paid or recommended**

**AUSTRALIAN ANIMAL PROTECTION SOCIETY LTD**  
**ABN 51 004 948 716**

**DIRECTORS' REPORT**

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

**Options**

No options over issued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

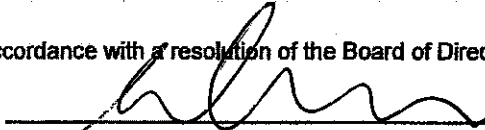
**Indemnification and Insurance of Officers and Auditors**

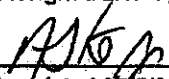
No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company.

**Auditor's Independence Declaration**

The lead auditor's independence declaration in accordance with section 307C of the Corporations Act 2001, for the year ended 31 December 2017 has been received and can be found on page 3.

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

Director:   
Megan Seccull (Resigned 2/5/17, Reappointed 27/5/2017)

Director:   
Andrew Stopp (Appointed 27/5/2017)


Dated this .....9..... day of May 2018

**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF  
AUSTRALIAN ANIMAL PROTECTION SOCIETY LTD**

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2017 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.

**Name of Firm:** R Harman & Associates  
Certified Practising Accountants

**Name of Partner:**   
Rowan Harman CPA ACIS

**Address:** 73 Robinson Street Dandenong Victoria 3175

**Dated this 9 day of May 2018**

**AUSTRALIAN ANIMAL PROTECTION SOCIETY LTD**  
**ABN 51 004 948 716**

**DIRECTORS' DECLARATION**

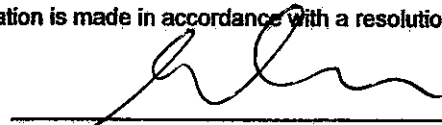
The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of the company declare that:

1. The financial statements and notes present fairly the Company's financial position as at 31 December 2017 and its performance for the year ended on that date in accordance with the accounting policies described in Note 2 to the financial statements; and
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.

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

Director:

  
Megan Seccull (Resigned 2/5/17, Reappointed 27/5/2017)

Director:

  
Andrew Stopp (Appointed 27/5/2017)

Dated this .....<sup>9</sup>... day of May 2018

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF AUSTRALIAN ANIMAL PROTECTION SOCIETY LTD  
ABN 51 004 948 716**

**Report on the Audit of the Financial Report**

**Opinion**

I have audited the accompanying financial report, being a special purpose financial report, of AUSTRALIAN ANIMAL PROTECTION SOCIETY LTD, (the company) which comprises the balance sheet as at 31 December 2017, statement of profit or loss and other comprehensive income and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In my opinion, the accompanying financial report of the company is in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the company's financial position as at 31 December 2017 and of its financial performance for the year ended; and

(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

**Basis for Opinion**

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the company in accordance with the auditor independence requirements of the Corporations Act 2001 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 my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the code.

I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter- Basis of Accounting**

I draw attention to note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the Corporations Act 2001. As a result, the financial report may not be suitable for another purpose. My opinion is not modified in respect to this matter.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF AUSTRALIAN ANIMAL PROTECTION SOCIETY LTD  
ABN 51 004 948 716**

**Responsibilities of Directors' 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 and have determined that the basis of preparation described in note 1 to the financial report is appropriate to meet the requirements of the Corporations Act 2001 and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine 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.

In preparing the financial report, the directors are responsible for assessing the company'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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Auditor's Responsibility for the Audit of the Financial Report**

My 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 the 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 this financial report.

**Name of Firm:** R Harman & Associates  
Certified Practising Accountants

**Name of Principal:**   
Rowan Harman CPA ACIS

**Address:** 73 Robinson Street Dandenong Victoria 3175

**Dated this 9 day of May 2018**

**AUSTRALIAN ANIMAL PROTECTION SOCIETY LTD**  
**ABN 51 004 948 716**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2017**

	Note	2017 \$	2016 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		12,216,510	7,306,559
Trade and other receivables	3	1,893,293	956,880
Accrued Interest		149,690	-
<b>TOTAL CURRENT ASSETS</b>		<u>14,259,493</u>	<u>8,263,439</u>
<b>NON-CURRENT ASSETS</b>			
Other Financial assets	4	1,040	1,040
Property, plant and equipment	5	5,285,423	1,527,787
<b>TOTAL NON-CURRENT ASSETS</b>		<u>5,286,463</u>	<u>1,528,827</u>
<b>TOTAL ASSETS</b>		<u>19,545,956</u>	<u>9,792,266</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables		383,527	196,623
Borrowings		(1,663)	-
Accrued Charges-Salary Sacrifice		-	1,477
<b>TOTAL CURRENT LIABILITIES</b>		<u>381,864</u>	<u>198,100</u>
<b>NON-CURRENT LIABILITIES</b>			
Employee benefits	6	37,024	39,997
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>37,024</u>	<u>39,997</u>
<b>TOTAL LIABILITIES</b>		<u>418,888</u>	<u>238,097</u>
<b>NET ASSETS</b>		<u>19,127,068</u>	<u>9,554,169</u>
<b>EQUITY</b>			
Reserves	7	12,543	12,543
Retained earnings	8	19,114,525	9,541,626
<b>TOTAL EQUITY</b>		<u>19,127,068</u>	<u>9,554,169</u>

The accompanying notes form part of these financial statements.



**AUSTRALIAN ANIMAL PROTECTION SOCIETY LTD**  
**ABN 51 004 948 716**

**PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	<b>2017</b>	<b>2016</b>
	\$	\$
<b>SALES</b>		
Shop Sales	313,688	395,651
Deductible Gift Receipts	157,429	168,679
Other Donations	18,415	31,678
Claims	1,190	13,729
Pen Sponsorships	25,655	32,357
Membership Fees	5,374	8,944
Rent Received	11,164	5,583
Bequests, Deceased Estates	900,051	1,434,434
Fund Raising Income	6,018	13,330
Adoption Income	228,269	188,311
Vetinary Services	1,148,593	970,604
Cat Retirement Village	12,000	18,000
Other Revenue	12,337	7,998
	<b>2,840,183</b>	<b>3,289,298</b>
<b>LESS: COST OF GOODS SOLD</b>		
Kennel Food Supplies	104,143	101,708
Kennel Running Expenses	145,357	145,729
Purchases for Shop	1,541	35,237
	<b>251,041</b>	<b>282,674</b>
<b>GROSS PROFIT FROM TRADING</b>	<b>2,589,142</b>	<b>3,006,624</b>
<b>OTHER INCOME</b>		
Interest Received	281,438	243,761
Rebates	9,360	46,722
Capital Gain(Loss) on Sale of Non-current Assets	9,590,037	-
	<b>9,880,835</b>	<b>290,483</b>
	<b>12,469,977</b>	<b>3,297,107</b>

The accompanying notes form part of these financial statements.

**AUSTRALIAN ANIMAL PROTECTION SOCIETY LTD**  
**ABN 51 004 948 716**

**PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	2017	2016
	\$	\$
<b>EXPENSES</b>		
Accountancy & Audit Fees	8,695	3,762
Advertising	1,915	-
Bank Charges	7,038	5,989
Cleaning & Waste Removal	57,558	60,450
Computer Costs	6,201	10,126
Depreciation	-	73,909
Donations	350	-
Entertainment Expenses	485	1,300
Development/Relocation Costs	232,999	80,277
Insurance	30,146	42,215
Legal Costs	22,909	-
Light & Power	41,951	27,739
Motor Vehicle Expenses	2,041	2,186
Postage	6,269	6,463
Printing & Stationery	12,487	17,512
Professional Fees	3,426	4,196
Staff Recruitment	11,130	-
Rates & Taxes	22,982	21,600
Rent	154,866	51,822
Repairs & Maintenance	32,541	41,259
Safety Equipment	1,562	1,091
Salaries & Wages	1,300,072	1,074,149
Security Costs	4,462	4,943
Staff Training & Welfare	30,432	5,119
Subscriptions & Memberships	2,402	2,625
Superannuation Contributions	118,659	99,815
Telephone	12,966	13,118
Veterinary Expenses	732,239	561,524
Workcover	38,295	28,150
	<u>2,897,078</u>	<u>2,241,339</u>
<b>Profit before income tax</b>	<u><b>9,572,899</b></u>	<u><b>1,055,768</b></u>

The accompanying notes form part of these financial statements.

**AUSTRALIAN ANIMAL PROTECTION SOCIETY LTD**  
**ABN 51 004 948 716**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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The financial statements cover the business of AUSTRALIAN ANIMAL PROTECTION SOCIETY LTD and have been prepared to meet the needs of stakeholders and to assist in the preparation of the tax return.

Comparatives are consistent with prior years, unless otherwise stated.

**1 Basis of Preparation**

The Company is non reporting since there are unlikely to be any users who would rely on the general purpose financial statements.

The special purpose financial statements have been prepared in accordance with the significant accounting policies described below and do not comply with any Australian Accounting Standards unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

**2 Summary of Significant Accounting Policies**

**Property, Plant and Equipment**

Each class of property , plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment.

**Depreciation**

Property, plant and equipment excluding freehold land, is depreciated on a straight line basis over the assets useful life to the company, commencing when the asset is ready for use.

**AUSTRALIAN ANIMAL PROTECTION SOCIETY LTD**  
**ABN 51 004 948 716**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**Impairment of Non-Financial Assets**

At the end of each reporting period the company determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss , except for goodwill.

**Trade and Other Receivables**

Trade receivables are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment. 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.

At the end of each reporting period, the carrying amount of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in income statement.

**Employee Benefits**

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

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cash flows. Changes in the measurement of the liability are recognised in profit or loss.

**AUSTRALIAN ANIMAL PROTECTION SOCIETY LTD**  
**ABN 51 004 948 716**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**Provisions**

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

**Cash and Cash Equivalents**

Cash and cash equivalents comprises 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.

**Revenue and Other Income**

Revenue is recognised when the business is entitled to it.

All revenue is stated net of the amount of goods and services tax (GST).

**Sale of goods**

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.

**Interest revenue**

Interest revenue is recognised using the effective interest rate method.

**Other income**

Other income is recognised on an accruals basis when the company is entitled to it.

**Trade and Other Payables**

Trade and other payables represent the liabilities at the end of the reporting period for goods and services received by the company that remain unpaid.

Trade payables are recognised at their transaction price. Trade payables are obligations on the basis of normal credit terms.

**AUSTRALIAN ANIMAL PROTECTION SOCIETY LTD**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**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 balance sheet.

Cash flows in the cash flow statement are included on a gross basis and the GST component of cash flows arising from investing or financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

**AUSTRALIAN ANIMAL PROTECTION SOCIETY LTD**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	2017 \$	2016 \$
<b>3 Trade and Other Receivables</b>		
<b>Current</b>		
Trade Debtors	3,164	-
Input Tax Credits	18,826	97,671
Bank Of Melbourne Term Deposit	871,303	850,000
Bank of Melbourne-Term Deposit-0353926790	-	9,209
Bank of Melbourne Term Deposit 355854697	1,000,000	-
	<u>1,893,293</u>	<u>956,880</u>
	<u>1,893,293</u>	<u>956,880</u>
<b>4 Other Financial Assets</b>		
<b>Non-Current</b>		
Moorabbin Bond	1,040	1,040
	<u>1,040</u>	<u>1,040</u>
<b>5 Property, Plant and Equipment</b>		
<b>Land and Buildings</b>		
Land and Improvements Perry Road	5,282,677	574,727
Freehold Land	1	-
Surgery	227,581	239,968
Less: Accumulated Amortisation	(227,580)	(118,209)
	<u>5,282,679</u>	<u>696,486</u>
Land & Buildings	-	1,275,691
Less: Accumulated Depreciation	-	(563,381)
	<u>-</u>	<u>712,310</u>
<b>Total Land and Buildings</b>	<u>5,282,679</u>	<u>1,408,796</u>
Kennels - at Cost	393,641	382,611
Less: Accumulated Depreciation	(393,640)	(269,061)
	<u>1</u>	<u>113,550</u>
Motor Vehicles	28,526	28,526
Less: Accumulated Depreciation	(28,525)	(26,717)
	<u>1</u>	<u>1,809</u>
Low Value Pool	29,337	11,518
Less: Accumulated Depreciation	(26,595)	(7,886)
	<u>2,742</u>	<u>3,632</u>
<b>Total Plant and Equipment</b>	<u>2,744</u>	<u>118,991</u>
<b>Total Property, Plant and Equipment</b>	<u>5,285,423</u>	<u>1,527,787</u>

**AUSTRALIAN ANIMAL PROTECTION SOCIETY LTD**  
**ABN 51 004 948 716**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	2017	2016
	\$	\$
<b>6 Employee Benefits</b>		
<b>Non-Current</b>		
Provision for Long Service Leave	<u>37,024</u>	<u>39,997</u>
<b>7 Reserves</b>		
Capital Profits Reserve	<u>12,543</u>	<u>12,543</u>
<b>8 Retained Earnings</b>		
Retained earnings at the beginning of the financial year	9,541,626	8,485,858
Net profit attributable to members of the company	<u>9,572,899</u>	<u>1,055,768</u>
Retained earnings at the end of the financial year	<u>19,114,525</u>	<u>9,541,626</u>