

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF PAWS & CLAWS ADOPTIONS INC.

Scope

We have audited the attached financial report, being a special purpose report, of Paws & Claws Adoptions Inc. for the period ended 30th June, 2018 being the Profit and Loss Statement, Balance Sheet and Notes to the Financial Statements. We have conducted an independent audit of the financial statements in order to express an opinion on them to the members of Paws & Claws Adoptions Inc. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

The financial report has been prepared for the purpose of fulfilling the requirements of the Associations Incorporation Act 1985 (South Australia). *We disclaim any assumption of responsibility for any reliance on this report or the financial report to which it relates to any person other than the members, or for any purpose other than for which it was prepared.*

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with the accounting policies described in Note 1A so as to present a view which is consistent with our understanding of the Association's financial position, and performance as represented by the results of its operations and cash flows. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia.

The audit opinion expressed in this report has been formed on the above basis.

Donations and fund-raising activities

It is not practical for The Paws & Claws Adoptions Inc. to maintain an effective system of internal control over donations and fund-raising activities until their initial entry in the accounting records. Accordingly, our audit in relation to donations and fund raising was limited to amounts recorded.

Going Concern

The Financial Statements have been compiled on a going concern basis; the ability of the Association to meet its financial obligations relies significantly on the fund raising outcomes of the members as the operating costs for the services provided by the Association exceed the income from those services. Thus, we are unable to form an opinion on the future financial viability of the Association, and its ability to meet future financial obligations as and when they fall due.

Qualified audit opinion

In our opinion, subject to the effects of such adjustments, if any, as might have been determined to be necessary had the limitations discussed in the qualification paragraph above not existed, the financial report presents fairly in accordance with the accounting policies described in the Notes to the financial statements, the financial position of The Paws & Claws Inc. as at 30th June, 2018.

KMT Partners
Chartered Accountants



Michael Fox FCA

Dated at Adelaide, this 18th day of March 2019

Financial Statements

Paws and Claws Adoptions Incorporated
ABN 73391042460
For the year ended 30 June 2018

Prepared by KMT Partners

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Auditor's report

Paws and Claws Adoptions Incorporated For the year ended 30 June 2018

Independent Auditors Report to the members of the Association

We have audited the accompanying financial report, being a special purpose financial report, of Paws and Claws Adoptions Incorporated (the association), which comprises the committee's report, the assets and liabilities statement as at 30 June 2018, the income and expenditure statement for the year then ended, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, and the certification by members of the committee on the annual statements giving a true and fair view of the financial position and performance of the association.

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 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 judgment, 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 association'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 association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, 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.

Committee's Responsibility for the Financial Report

The committee of Paws and Claws Adoptions Incorporated is responsible for the preparation and fair presentation of the financial report, and has determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the Associations Incorporation Act 1985 (South Australia) and is appropriate to meet the needs of the members. The committee's responsibility also includes such internal control as the committee determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

Opinion

The audit opinion expressed in this report has been formed on the above basis.

Donations and fund raising activities


It is not practical for The Paws & Claws Adoptions Inc. to maintain an effective system of internal control over donations and fund raising activities until their initial entry in the accounting records. Accordingly, our audit in relation to donations and fund raising was limited to amounts recorded.

Qualified audit opinion

In our opinion, subject to the effects of such adjustments, if any, as might have been determined to be necessary had the limitations discussed in the qualification paragraph above not existed, the financial report presents fairly in accordance with the accounting policies described in the Notes to the financial statements, the financial position of The Paws & Claws Adoptions Inc. as at 30th June 2018.

Basis of Accounting and Restriction on Distribution

Without 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 Paws and Claws Adoptions Incorporated to meet the requirements of the Associations Incorporation Act 1985 (South Australia). As a result, the financial report may not be suitable for another purpose.

A handwritten signature in black ink that reads 'Michael Fox'.

Auditor's signature: Michael Fox FCA

Auditor's address: U5, 13-15 King William Rd UNLEY 5061

Dated: / /

Income and Expenditure Statement

Paws and Claws Adoptions Incorporated For the year ended 30 June 2018

	2018	2017
Income		
Adoptions Fee	149,309	67,880
Donations	24,110	13,491
Fundraising	14,998	23,187
Total Income	188,416	104,557
Other Income		
Interest Income	38	65
Other Revenue	1,591	1,996
Total Other Income	1,630	2,062
Gross Surplus	190,046	106,619
Expenditure		
Advertising	1,898	3,305
Animal Expenses	31,162	9,747
Animal Refunds	5,059	3,150
Bank Fees	259	407
Boarding	23	758
Carrier Deposit Refunds	80	60
Cat Cafe Expenses	498	943
Cleaning	627	-
Consulting & Accounting	607	1,572
Entertainment	273	485
Freight & Courier	75	-
Fundraising Expenses	3,986	6,905
Insurance	500	-
Legal expenses	-	34
Light, Power, Heating	-	2,151
Microchip Transfers	695	396
Not Sure Account	208	602
Office Expenses	614	325
Printing & Stationery	194	131
Rent	-	4,500
Subscriptions	178	78
Telephone & Internet	215	679
Travel - Domestic	188	66
Vet Expenses	122,179	71,930
Waste Disposal	-	167
Vet Bills - Laboratory testing	2,759	-
Volunteer Training	546	-
Animal Expenses - Flea & Worming Expenses	11,321	-
Vet Bills - Desex Mum Cat Assistance Program	764	-



	2018	2017
Animal Expenses - Cat collars	127	-
Vet Bills - Surgery Costs (Non-Desexing)	8,007	-
Total Expenditure	193,037	108,389
Current Year Surplus/ (Deficit)	(2,992)	(1,771)

Assets and Liabilities Statement

Paws and Claws Adoptions Incorporated

As at 30 June 2018

	NOTES	30 JUN 2018	30 JUN 2017
Assets			
Current Assets			
Cash & Cash Equivalents			
ANZ		2,716	3,304
Online Saver Account		8,336	11,039
Total Cash & Cash Equivalents		11,052	14,344
GST Receivable		1,111	844
Total Current Assets		12,164	15,187
Non-Current Assets			
Other Non-Current Assets			
Paypal		424	392
Total Other Non-Current Assets		424	392
Total Non-Current Assets		424	392
Total Assets		12,588	15,579
Liabilities			
Other Current Liabilities			
Current Liabilities		(116)	(116)
Total Other Current Liabilities		(116)	(116)
Non-Current Liabilities			
Loans		18,000	18,000
Total Non-Current Liabilities		18,000	18,000
Total Liabilities		17,884	17,884
Net Assets		(5,296)	(2,305)
Member's Funds			
Capital Reserve		(35,865)	(32,874)
Historical Adjustment		30,569	30,569
Total Member's Funds		(5,296)	(2,305)

Notes of the Financial Statements

Paws and Claws Adoptions Incorporated For the year ended 30 June 2018

Summary of Significant Accounting Policies

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act SA. The committee has determined that the association is not a reporting entity.

The financial statements have been prepared on an accruals basis and are based on historic costs and do not take into account changing money values or, except where stated specifically, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless stated otherwise, have been adopted in the preparation of these financial statements.

Property, Plant and Equipment (PPE)

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all PPE is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Cash on Hand

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

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.

Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

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

If conditions are attached to the grant that must be satisfied before the association is eligible to receive the contribution, recognition of the grant as revenue will be deferred until those conditions are satisfied.

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

Leases

Leases of PPE, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the association, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for that period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term. Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

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.

	2018	2017
1. Cash on Hand		
ANZ	2,716	3,304
Online Saver Account	8,336	11,039
Total Cash on Hand	11,052	14,344

	2018	2017
2. Plant & Equipment, Vehicles		
	2018	2017
3. Trade & Other Payables		
	2018	2017
4. Loans		
Non Current Liability		
Loan	18,000	18,000
Total Non Current Liability	18,000	18,000
Total Loans	18,000	18,000

Movements in Equity

Paws and Claws Adoptions Incorporated For the year ended 30 June 2018

	2018	2017
Equity		
Opening Balance	(2,305)	(31,103)
Increases		
Surplus for the Period	(2,992)	(1,771)
Other Increases	-	30,569
Total Increases	(2,992)	28,798
Total Equity	(5,296)	(2,305)

Committee's Report

Paws and Claws Adoptions Incorporated For the year ended 30 June 2018

Committee's Report

Your committee members submit the financial report of Paws and Claws Adoptions Incorporated for the financial year ended 30 June 2018.

Committee Members

The names of committee members throughout the year and at the date of this report are:

Committee Member	Position
Wayde Anthony Masters	President
Kane Li	Secretary
Tracy Willacey	Treasurer
Hayley Lawrence	Committee Member
Karen George	Committee Member
Kirsten Ohl	Committee Member
Penny Rigby-Meth	Committee Member
Suzanne Blakey	Committee Member
Sofie Klimenko	Committee Member
Silvia Luis	Committee Member
Stephanie Willett	Committee Member

Principal Activities

Dogs & Cats Adoptions

Significant Changes

-

Operating Result

The Income after providing for income tax for the financial year amounted to, as per below:

\$2,991.72 Loss



Signed in accordance with a resolution of the Members of the Committee on:

Wayde Anthony Masters (President)

Date / /

Certificate By Members of the Committee

Paws and Claws Adoptions Incorporated For the year ended 30 June 2018

We, the members of the Committee of Paws and Claws Adoptions Incorporated certify that:

1. I attended the special general meeting of the association held on [].
2. The financial statements for the year ended 30 June 2018 were submitted to the members of the association at its special general meeting.

Dated:

Wayde Masters (President)

Date / /

Kane Li (Secretary)

Date / /

Tracy Willacey (Treasurer)

Date / /

Stephanie Willett (Committee Member)

Date / /

Hayley Lawrence (Committee Member)

Date / /

Karen George (Committee Member)

Date / /

Kirsten Ohl (Committee Member
Member)

Date / /

Penny Rigby-Meth (Committee
Member)

Date / /



Suzanne Blakey (Committee Member)

Date / /

Sofie Klimenko (Committee Member)

Date / /

Silvia Luis (Committee Member)

Date / /

True and Fair Position

Paws and Claws Adoptions Incorporated For the year ended 30 June 2018

Annual Statements Give True and Fair View of Financial Position and Performance of the Association

We, the members of the committee of Paws and Claws Adoptions Incorporated, certify that –

The statements attached to this certificate give a true and fair view of the financial position and performance of Paws and Claws Adoptions Incorporated during and at the end of the financial year of the association ending on 30 June 2018.

Signed:

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