

**FRIENDS OF THE HOUND INC.
ABN 12 101 552 025**

FINANCIAL REPORT

Year ended 31 December 2012

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Friends of the Hound Inc
Financial Report for the Year Ended 31 December 2012
COMMITTEE'S REPORT

Your committee members submit the financial report of Friends of the Hound Inc for the financial year ended 31 December 2012.

Committee Members

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

Shaunagh Wood	Lisa White
Katrina Koutsellis	Helen Johnson

Principal Activities

The principal activities of the association during the financial year were to;

- rescue greyhounds and re-home them as pets to suitable permanent homes; and
- to inform, educate and raise awareness about Greyhounds and promote the breed and its potential and suitability as family pets and companions.

Significant Changes

No significant change in the nature of these activities occurred during the year.

Operating Result

The profit after providing for income tax amounted to \$13,426.

Signed in accordance with a resolution of the members of the committee.

.....
Lisa White

.....
Katrina Koutsellis

Dated this day of 2013

Friends of the Hound Inc

INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2012

	Note	2012	2011
		\$	\$
INCOME			
Donations		17,815	17,940
Donations – Friends of the Pound (Tweed) Inc.		-	-
Adoption & Surrender fees		41,565	37,530
Merchandise		10,796	4,062
Members' subscriptions		1,636	1,435
Grants Received		-	-
Activities Income		12,776	2,714
Miscellaneous Income		10,216	9,008
Interest		688	700
		95,492	73,389
EXPENDITURE			
Direct Expenses			
— Veterinarians		42,527	26,231
— Rescue expenses		1,502	949
— Adoption expenses		1,105	68
Audit & Accounting Fees		1,320	1,210
Depreciation		1,759	1,713
Fuel		2,536	4,007
Insurance		1,231	1,735
Miscellaneous Expenses		7,229	6,519
Postage		912	1,206
Supplies		20,202	11,902
Telephone		1,743	2,090
Travel		-	1,413
		82,066	59,043
Profit before income tax		13,426	14,346
Income tax expense	1a	-	-
Profit after income tax		13,426	14,346
RETAINED PROFITS AT THE BEGINNING OF THE FINANCIAL YEAR		35,222	20,876
RETAINED PROFITS AT THE END OF THE FINANCIAL YEAR		48,648	35,222

The accompanying notes form part of these financial statements.

Friends of the Hound Inc

ASSETS AND LIABILITIES STATEMENT AS AT 31 DECEMBER 2012

		2012	2011
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	2	47,209	30,327
Trade and other receivables		-	-
Prepayments		238	-
TOTAL CURRENT ASSETS		47,447	30,327
NON-CURRENT ASSETS			
Financial assets			-
Property, plant and equipment	3	8,721	6,980
TOTAL NON-CURRENT ASSETS		8,721	6,980
TOTAL ASSETS		56,168	37,307
CURRENT LIABILITIES			
Trade Creditors		6,200	1,095
Accrued expenses	4	1,320	990
TOTAL CURRENT LIABILITIES		7,520	2,085
TOTAL LIABILITIES		7,520	2,085
NET ASSETS		48,648	35,222
MEMBERS' FUNDS			
Retained profits		48,648	35,222
TOTAL MEMBERS' FUNDS		48,648	35,222

Friends of the Hound Inc

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

a. **Income Tax**

The Association is exempt from income tax.

b. **Property, Plant and Equipment (PPE)**

Office equipment and Plant & 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.

c. **Impairment of Assets**

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

d. **Cash and Cash Equivalents**

Cash and cash equivalents 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.

e. **Revenue and Other Income**

Grant, membership 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 when credited to the association's bank account.

f. **Goods and Services Tax (GST)**

At the reporting date, the Association was not registered for GST.

Friends of the Hound Inc

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

NOTE 2: CASH & CASH EQUIVALENTS	2012	2011
	\$	\$
Cash on Hand	300	482
Cash at Bank –		
- Business Account	4,240	5,690
- Online Saver	40,507	12,526
- Donations account	2,162	11,629
	47,209	30,327
	47,209	30,327

NOTE 3: PROPERTY, PLANT AND EQUIPMENT	2012	2011
	\$	\$
Plant & Equipment	8,055	8,055
Less accumulated depreciation	(2,572)	(1,579)
	5,483	6,476
Computers & Software	5,528	2,028
Less accumulated depreciation	(2,290)	(1,524)
	3,238	504
	8,721	6,980

NOTE 4: ACCRUED EXPENSES	2012	2011
	\$	\$
Audit & Accounting Fees	1,320	990
	1,320	990
	1,320	990

Friends of the Hound Inc

STATEMENT BY MEMBERS OF THE COMMITTEE

The committee has determined that the 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 committee the financial report as set out on pages 2 to 5:

1. Presents a true and fair view of the financial position of Friends of the Hound Inc as at 31 December 2012 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Friends of the Hound Inc will be able to pay its debts as and when they fall due.

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

President
Lisa White

Treasurer
Helen Johnson

Dated this day of 2013



Grant & Brady Pty Ltd

ACN 131 763 945

Certified Practising Accountants

PRINCIPALS:
Peter Grant CPA
Stuart Brady CPA

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FRIENDS OF THE HOUND INC

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, Friends of the Hound Inc (the association), which comprises the assets and liabilities statement as at 31 December 2012 for the year then ended, the income and expenditure statement, a summary of significant accounting policies, other explanatory notes and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation and fair presentation of the financial report and has determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are consistent with the financial reporting requirements of the Associations Incorporation Act NSW and are appropriate to meet the needs of the members. The committee's responsibilities also include designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing 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 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 committee, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the committee's financial reporting obligations under the Associations Incorporation Act NSW. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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 Australian professional ethical pronouncements.

Audit Qualification

As is common for organisations of this type, it is not practicable for Friends of the Hound Inc to maintain an effective system of internal control over cash receipts until their initial entry in the accounting records. Accordingly, our audit in relation to cash receipts was limited to amounts recorded.

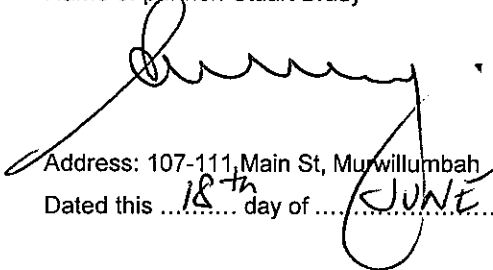
Friends of the Hound Inc

Qualified Auditor's Opinion

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the limitation discussed in the qualification paragraph not existed, the financial report of Friends of the Hound Inc presents fairly, in all material respects the financial position of Friends of the Hound Inc as at 31 December 2012 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the Associations Incorporation Act NSW.

Name of firm: Grant & Brady

Name of partner: Stuart Brady



Address: 107-111, Main St, Murwillumbah

Dated this 18th day of JUNE 2013

Friends of the Hound Inc

CERTIFICATE BY MEMBERS OF THE COMMITTEE

I, Lisa White and I, Helen Johnson, certify that:

- a. We are members of the committee of Friends of the Hound Inc.
- b. We attended the annual general meeting of the association held on 2013.
- c. We are authorised by the attached resolution of the committee to sign this certificate.
- d. This annual statement was submitted to the members of the association at its annual general meeting.

Dated this day of 2013

.....
Lisa White (President/Secretary)

.....
Helen Johnson (Treasurer)