



Annual Report

For the year ended 30 June 2012

**ABN: 62 078 470 457
INC9877859**

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Committee’s Report

Your Committee Members submit the financial report of Australian Ecosystems Foundation Incorporated for the financial year ended 30 June 2012.

Committee Members

The names of Committee Members throughout the year and at the date of this report are:

- | | |
|------------------------|---|
| Dr Don Stammer | Ms Julianne Evans |
| Mr Trevor Evans | Ms Therese Cock |
| Mr Christopher Chapman | Mr Joel Little |
| Ms Lauren Evans | Mr Jim Shields |
| Mr Robert Sutor | Mr Jack Wolfenden (resigned 3 October 2011) |
| Mr Steven Nott | |

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

Principal activities

The principal activities of the association during the financial year were to provide protection and breeding facilities for endangered species.

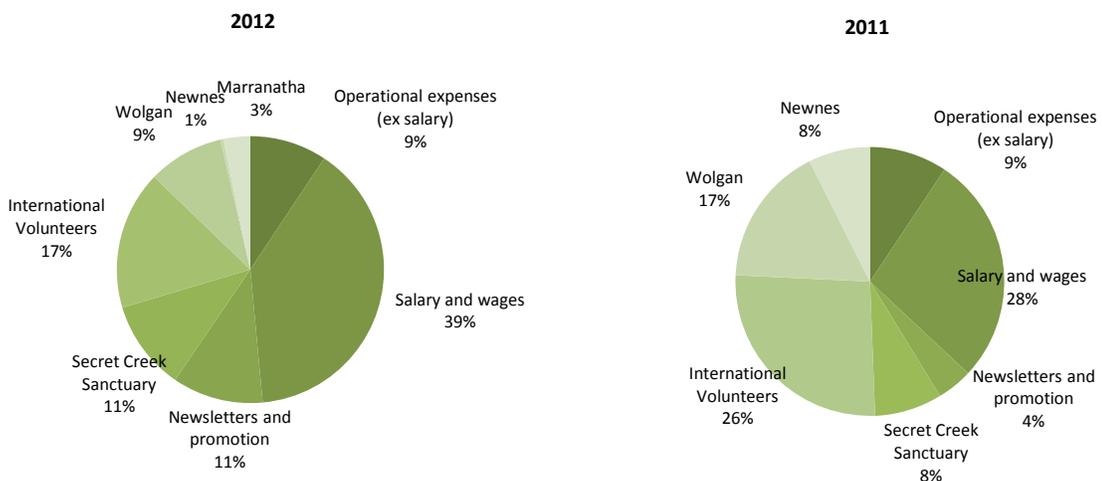
Significant changes

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

Operating result

The loss from ordinary activities after providing for income tax amounted to \$25,135 (2011:\$23,860 loss).

Operating expenses, excluding salary and wages amounted to 12.0% (2011 11.6%) of revenue for the year. A breakdown of the expense distribuion for the year is as follows:



Committee's Report (continued)

Signed in accordance with a resolution of the Members of the Committee.



Dr Don Stammer
President



Lauren Evans
Treasurer

Dated this 8 January 2013

Australian Ecosystems Foundation Incorporated
ABN 62 078 470 457

Statement of Comprehensive Income
For the year ended 30 June 2012

	Note	2012 \$	2011 \$
Donations		37,004	21,579
Volunteer Income		36,919	63,105
Sponsorships		5,000	6,605
Memberships		3,000	5,038
Grant Income		2,909	-
Interest Income		2,946	2,284
Other Income		-	569
Revenue	2	<u>87,778</u>	<u>99,180</u>
Operational expenses			
Accounting and auditing		2,200	1,500
Bank fees		1,255	1,252
Depreciation		439	522
Insurance		2,083	2,266
Meeting expenses		275	95
Membership fees		179	824
Other expenses		<u>4,081</u>	<u>5,069</u>
Total operational expenses		<u>10,512</u>	<u>11,528</u>
Other project and salary related expenses			
Salary and wages		44,278	33,955
Newsletters and promotion		12,401	5,257
Secret Creek Sanctuary		12,285	10,009
International Student Volunteers		18,960	32,427
Wolgan		10,385	20,773
Newnes property expenses		388	9,091
Marranatha		3,671	-
Margaret Middleton Grant		<u>33</u>	<u>-</u>
Total other project and salary related expenses		<u>102,401</u>	<u>111,512</u>
Loss before income tax		<u>(25,135)</u>	<u>(23,860)</u>
Income tax expense		<u>-</u>	<u>-</u>
Loss for the year		<u>(25,135)</u>	<u>(23,860)</u>
Other comprehensive income		<u>-</u>	<u>-</u>
Other comprehensive income for the year		<u>(25,135)</u>	<u>(23,860)</u>
Other comprehensive income attributable to members of the entity		<u>(25,135)</u>	<u>(23,860)</u>

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Australian Ecosystems Foundation Incorporated
ABN 62 078 470 457

Statement of Financial Position
As at 30 June 2012

	Note	2012 \$	2011 \$
Current assets			
Cash and cash equivalents	4	89,377	105,796
Trade and other receivables	5	-	-
Total current assets		<u>89,377</u>	<u>105,796</u>
Non current assets			
Property, plant and equipment	6	<u>200,627</u>	<u>201,066</u>
Total non current assets		<u>200,627</u>	<u>201,066</u>
Total assets		<u>290,004</u>	<u>306,862</u>
Current liabilities			
Trade and other payables	7	10,612	2,434
Provisions	8	<u>1,547</u>	<u>1,448</u>
Total current liabilities		<u>12,159</u>	<u>3,882</u>
Total liabilities		<u>12,159</u>	<u>3,882</u>
Net assets		<u>277,845</u>	<u>302,980</u>
Members' funds			
Retained earnings		<u>277,845</u>	<u>302,980</u>
Total Members' Funds		<u>277,845</u>	<u>302,980</u>

The Statement of Financial Position should be read in conjunction with the accompanying notes.

Australian Ecosystems Foundation Incorporated
ABN 62 078 470 457

Statement of Changes in Equity
For the year ended 30 June 2012

	Retained Earnings	Total
	\$	\$
Balance at 30 June 2010	<u>326,840</u>	<u>326,840</u>
Loss attributable to members	<u>(23,860)</u>	<u>(23,860)</u>
Balance at 30 June 2011	<u>302,980</u>	<u>302,980</u>
Loss attributable to members	<u>(25,135)</u>	<u>(25,135)</u>
Balance at 30 June 2012	<u><u>277,845</u></u>	<u><u>277,845</u></u>

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Australian Ecosystems Foundation Incorporated
ABN 62 078 470 457

Statement of Cash Flows
For the year ended 30 June 2012

	Note	2012 \$	2011 \$
Cash flows from operating activities			
Receipts from members		3,300	5,542
Operating grant receipts		3,200	-
Donations received		37,004	28,184
Other income		41,919	71,023
Interest received		2,946	2,284
Other receipts		-	-
Payments to suppliers and employees		<u>(104,788)</u>	<u>(136,186)</u>
Net cash (used in) operating activities	11 b)	<u>(16,419)</u>	<u>(29,153)</u>
Cash flows from investing activities			
Payments for property, plant & equipment		<u>-</u>	<u>(490)</u>
Net cash provided by/(used in) investing activities		<u>-</u>	<u>(490)</u>
Net (decrease) in cash held		(16,419)	(29,643)
Cash at the beginning of the financial year		<u>105,796</u>	<u>135,439</u>
Cash at the end of the financial year	11 a)	<u><u>89,377</u></u>	<u><u>105,796</u></u>

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements
For the year ended 30 June 2012

1. Statement of significant accounting policies

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Associations Incorporations Act 2009.

The financial report covers Australian Ecosystems Foundation Incorporated as an individual entity. Australian Ecosystems Foundation Incorporated is an association incorporated in New South Wales under the Association Incorporation Act 2009.

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. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the Association in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Accounting policies

a) Income tax

Under Section 50-5 of the Income Tax Assessment Act 1997, the income of Australian Ecosystems Foundation Incorporated is exempt from income tax.

b) Impairment of assets

At each reporting date, the association reviews the carrying values of its tangible 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 statement of comprehensive income.

c) Cash and cash equivalents

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

d) Revenue

Revenue from the donations, memberships, sponsorships is recognised upon receipt.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Notes to the Financial Statements (continued)
For the year ended 30 June 2012

1. Statement of significant accounting policies (continued)

e) 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 Tax 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. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

f) Comparative figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

	2012	2011
	\$	\$
2. Revenue		
Operating activities		
Donations	37,004	21,579
Memberships	3,000	5,038
Sponsorships	5,000	6,605
Volunteer labour	36,919	63,105
Other Income	-	569
Grants received	<u>2,909</u>	<u>-</u>
	<u>84,832</u>	<u>96,896</u>
Non-operating activities		
Interest received	<u>2,946</u>	<u>2,284</u>
Total revenue	<u>87,778</u>	<u>99,180</u>
3. Profit for the year		
Expenses		
Remuneration of auditor		
- audit or review services	2,200	1,500
- other services	<u>-</u>	<u>-</u>
Total remuneration	<u>2,200</u>	<u>1,500</u>

Notes to the Financial Statements (continued)
For the year ended 30 June 2012

	2012	2011
	\$	\$
4. Cash and cash equivalents		
General business account	23,703	410
Public fund account	65,599	105,320
Petty cash	75	66
	<hr/>	<hr/>
Total cash and cash equivalents	89,377	105,796
	<hr/>	<hr/>
5. Trade and other receivables		
Current		
Other receivables	-	-
	<hr/>	<hr/>
Total current receivables	-	-
	<hr/>	<hr/>
6. Property, plant and equipment		
Non current		
Freehold land	200,000	200,000
Fixed Assets	627	1,066
	<hr/>	<hr/>
Total non current property, plant and equipment	200,627	201,066
	<hr/>	<hr/>
7. Trade and other payables		
Current		
Trade payables	-	-
Other payables	10,612	2,434
	<hr/>	<hr/>
Total current trade and other payables	10,612	2,434
	<hr/>	<hr/>
8. Provisions		
Current		
Provision for annual leave	1,547	1,448
	<hr/>	<hr/>
Total current provisions	1,547	1,448
	<hr/>	<hr/>

Notes to the Financial Statements (continued)
For the year ended 30 June 2012

	2012	2011
	\$	\$
9. Events subsequent to reporting date		
No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the economic entity, the results of those operations, or the state of affairs of the entity in future financial years.		
10. Segment reporting		
The Association operates predominantly in one business and geographical segment, being in the environmental sector providing provide protection and breeding facilities for endangered species.		
11. Cash flow information		
a) Reconciliation of cash		
General business account	23,703	410
Public fund account	65,599	105,320
Petty cash	75	66
	<u>89,377</u>	<u>105,796</u>
b) Reconciliation of net cash used in operating activities to (loss) after income tax		
(Loss) after income tax	(25,135)	(23,860)
Non-cash flows included in (loss) :		
Depreciation	439	522
Changes in assets and liabilities:		
Decrease in receivables	-	7,349
Decrease in other assets	-	-
Increase/(decrease) in payables	8,178	(14,612)
Increase in provisions	99	1,448
	<u>(16,419)</u>	<u>(29,153)</u>

12. Association details

The principal place of business of the association is:
 Australian Ecosystems Foundation Incorporated
 35 Crane Road
 LITHGOW NSW 2790

Notes to the Financial Statements (continued)
For the year ended 30 June 2012

13. Additional information to be furnished under The Charitable Fundraising Act 1991

Australian Ecosystems Foundation Incorporated received a total of \$37,004 (2011: \$21,579) from donations and sponsorships that constituting fundraising appeals. These funds were used to assist in the rehabilitation of various sanctuary sites, provide food and veterinary services to the Quolls and develop Secret Creek Sanctuary.

a) Comparative information	2012 %	2011 %
Total costs of fund raising to gross income from fundraising	-	-
Net surplus from fundraising to gross income from fundraising	(1)	(10)
Total fundraising income utilised to total expenses	38	19
Total fundraising income utilised to gross income	101	110

Statement by Members of the Committee

In the opinion of the Committee the financial report as set out in pages 3 - 11:

1. Presents a true and fair view of the financial position of Australian Ecosystems Foundation Incorporated as at 30 June 2012 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that Australian Ecosystems Foundation Incorporated 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:



Dr Don Stammer
President



Lauren Evans
Treasurer

Dated this 8 January 2013

Declaration by President in respect of Fundraising Appeals

I declare that, in my opinion:

- a. The financial statements give a true and fair view of all income and expenditure of Australian Ecosystems Foundation Incorporated with respect to fundraising appeal activities for the financial year ended 30 June 2012;
- b. The Statement of Financial Position gives a true and fair view of the state of affairs with respect to fundraising appeal activities as at 30 June 2012;
- c. The provisions of the Charitable Fundraising Act 1991 and regulations and the conditions attached to the authority have been complied with; and
- d. The internal controls exercised by Australian Ecosystems Foundation Incorporated are appropriate and effective in accounting for all income received and applied from any fundraising appeals.



Dr Don Stammer
President

Dated this

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
AUSTRALIAN ECOSYSTEMS FOUNDATION INC.**

Report on the Financial Report

We have audited the accompanying financial report of Australian Ecosystems Foundation Inc. (the association) which comprises the statement of financial position as at 30 June 2012 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and 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 in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporation Act 2009. This responsibility includes establishing 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. 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.

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

Additional scope pursuant to the Charitable Fundraising Act 1991

In addition, our audit report has also been prepared for the association in accordance with section 24(2) of the Charitable Fundraising Act 1991. Accordingly we have performed additional work beyond that which is performed in our capacity as auditors. These additional procedures include obtaining an understanding of the internal control structure for fundraising appeal activities and examination, on a test basis, of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising appeal activities pursuant to the Charitable Fundraising Act 1991 and regulations.

It should be noted that the accounting records and data relied upon for reporting on fundraising appeal activities are not continuously audited and do not necessarily reflect after the event accounting adjustments and the normal year end financial adjustments for such matters as accruals, prepayments, provisioning and valuations necessary for the year end financial statements preparation.

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The performance of our audit included a review of internal controls for the purpose of determining the appropriate audit procedures to enable an opinion to be expressed on the financial statements. This review is not a comprehensive review of all those systems or of the system taken as a whole and is not designed to uncover all weaknesses in those systems.

Our audit opinion pursuant to the Charitable Fundraising Act 1991 has been formed on the above basis.

Independence

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

Qualification

It is not always practicable for the association to establish accounting control over all sources of fundraising appeal activities prior to receipt of these funds by officers of the association and accordingly it is not possible for our examination to include procedures which extend beyond the amounts of such income recorded in the accounting records of the Association.

In respect to the qualification however, based on our review of the internal controls, nothing has come to our attention which would cause us to believe that the internal controls over revenue from fundraising appeal activities by the association are not appropriate.

Qualified Audit Opinion

In our opinion, except for the effects on the financial report of such adjustments, if any, as might have been required had the limitation referred to in the qualification paragraph not existed:

The financial report of Australian Ecosystems Foundation Inc. is in accordance with the Associations Incorporation Act 2009 including:

- i. giving a true and fair view of the Association's financial position as at 30 June 2012 and of their performance for the year ended on that date; and
- ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporation Act 2009.

Qualified Audit Opinion Pursuant to the Charitable Fundraising Act 1991

In our opinion, except for the effects on the financial report of such adjustments, if any, as might have been required had the limitation referred to in the qualification paragraph not existed:

- (a). the financial report presents fairly a view of the financial result of fundraising appeal activities for the financial year ended 30 June 2012;
- (b). the financial report has been properly drawn up, and the associated records have been properly kept for the year ended 30 June 2012, in accordance with the Charitable Fundraising Act 1991 and regulations;
- (c). money received as a result of fundraising appeal activities conducted during the year ended 30 June 2012 has been properly accounted for and applied in accordance with the Charitable Fundraising Act 1991 and Regulations; and
- (d). there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

Hill Rogers Spencer Steer



BRETT HANGER

Partner

Dated at Sydney, this 14th day of January 2013.