

Cat Welfare Society Inc

Financial Statements

For the Year Ended 30 April 2023

Cat Welfare Society Inc

Financial Statements Contents For the Year Ended 30 April 2023

Financial Statements	Page
Statement of Profit or Loss and Other Comprehensive Income	1
Statement of Financial Position	2
Statement of Changes in Equity	3
Statement of Cash Flows	4
Notes to the Financial Statements	5
Statement by Board of Management	18
Independent Audit Report	19

Cat Welfare Society Inc

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 April 2023

	Note	2023 \$	2022 \$
Retail Revenue	4	976,623	1,025,877
Cost of Sales		(630,682)	(625,323)
Gross Margin		<u>345,941</u>	<u>400,554</u>
Other Revenue	4	4,526,287	4,591,686
Administration Expenses		(693,671)	(620,958)
Advertising Expenses		(8,407)	(7,007)
Bad Debt		(5,791)	(5,000)
Departmental and General Expenses	5	(2,341,894)	(2,090,334)
Depreciation and Amortisation Expense		(123,687)	(91,821)
Finance Costs - Bank Charges		(26,023)	(26,086)
Fundraising Costs		(48,512)	(40,797)
Occupancy Expenses		(13,955)	(15,294)
RofU Asset Exit Costs		-	(20,700)
Veterinary Clinic	6	(1,413,457)	(1,314,318)
Surplus / (Deficit) for the year		<u>196,831</u>	<u>759,925</u>
Other Comprehensive Income			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that may be reclassified to profit or loss		-	-
Other comprehensive surplus for the year, net of tax		<u>-</u>	<u>-</u>
Total comprehensive surplus / (deficit) for the year		<u>196,831</u>	<u>759,925</u>

Cat Welfare Society Inc

Statement of Financial Position For the Year Ended 30 April 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	7	1,210,851	1,089,631
Trade and Other Receivables	8	158,696	67,902
Inventories	9	94,078	108,404
Other Investments	10	1,251,270	1,210,193
Other Assets		47,138	67,327
TOTAL CURRENT ASSETS		2,762,034	2,543,457
NON-CURRENT ASSETS			
Property, Plant and Equipment	11	1,732,653	1,605,743
Rights of Use Assets	15	21,754	8,988
TOTAL NON-CURRENT ASSETS		1,754,407	1,614,731
TOTAL ASSETS		4,516,441	4,158,188
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	12	344,943	259,791
Deferred Income		94,135	22,314
Lease Liabilities	12	5,881	5,519
Provisions	13	119,937	115,346
TOTAL CURRENT LIABILITIES		564,896	402,970
NON-CURRENT LIABILITIES			
Lease Liabilities	12	16,682	3,907
Provisions	13	87,832	101,111
TOTAL NON-CURRENT LIABILITIES		104,514	105,018
TOTAL LIABILITIES		669,410	507,988
NET ASSETS		3,847,031	3,650,200
EQUITY			
Reserves	14	910,907	910,907
Retained Earnings		2,936,124	2,739,293
TOTAL EQUITY		3,847,031	3,650,200

Cat Welfare Society Inc

Statement of Changes in Equity For the Year Ended 30 April 2023

	Retained Earnings	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 01 May 2022	2,739,293	910,907	3,650,200
Surplus / (Deficit) for the year	196,831	-	196,831
Fair value revaluation of land and buildings	-	-	-
Other comprehensive income	-	-	-
Total comprehensive income for the period	196,831	-	196,831
Balance at 30 April 2023	2,936,124	910,907	3,847,031

	Retained Earnings	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 01 May 2021	1,979,368	910,907	2,890,275
Surplus / (Deficit) for the year	759,925	-	759,925
Fair value revaluation of land and buildings	-	-	-
Other comprehensive income	-	-	-
Total comprehensive income for the period	759,925	-	759,925
Balance at 30 April 2022	2,739,293	910,907	3,650,200

Cat Welfare Society Inc

Statement of Cash Flows For the Year Ended 30 April 2023

	Note	2023 \$	2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from retail sales		885,829	991,694
Payments to suppliers and employees		(5,020,346)	(4,753,596)
Funds from sales and other income		4,592,780	4,609,599
Interest received		5,327	6,645
Net cash provided by / (used in) operating activities		463,591	854,342
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipts from investment funds		(41,077)	(1,210,193)
Payment for property, plant and equipment		(263,363)	(66,095)
Net cash used by investing activities		(304,439)	(1,276,288)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liability		13,137	(26,252)
Net cash used by financing activities		13,137	(26,252)
Net increase / (decrease) in cash and cash equivalents held		172,289	(448,198)
Cash and cash equivalents at beginning of financial year		1,089,631	1,537,829
Cash and cash equivalents at end of financial year	7	1,261,921	1,089,631

Cat Welfare Society Inc

Notes to the Financial Statements For the Year Ended 30 April 2023

The financial statements cover Cat Welfare Society Inc as an individual entity. Cat Welfare Society Inc is a not-for-profit association incorporated in Western Australia under the *Associations Incorporation Act (WA) 2015* ('the Act').

The principal activities of the association for the year ended 30 April 2023 were operating as an open admissions cat shelter.

The functional and presentation currency of Cat Welfare Society Inc is Australian dollars.

The financial report was authorised for issue by the Board of Management on 01 August 2023.

Comparatives are consistent with prior years, unless otherwise stated.

NOTE 1 : Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the Australian Charities and Not-for-profits Commission Act 2012.

The accounting policies set out below have been consistently applied to all years presented.

NOTE 2 : Summary of Significant Accounting Policies

(a) Income Tax

The association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Leases

From 01 January 2020, as per AASB 16, any contract that is a lease, or contains a lease, are recognised as a right-of-use asset and a lease liability on the balance sheet over the term of the lease.

Right-of-use assets are depreciated from lease commencement date to the earlier of the end of the lease term or the end of the useful life of the right-of-use asset and the monthly payment for the lease reduces the lease liability.

On the statement of financial position, right-of-use assets are included in property, plant and equipment and lease liabilities are included in trade and other payables.

(c) Revenue and Other Income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the association and specific criteria relating to the type of revenue, as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

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

Cat Welfare Society Inc

Notes to the Financial Statements

For the Year Ended 30 April 2023

Sale of Goods

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

Grant Revenue

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the entity obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction at fair value and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant revenue is recognised as income on receipt.

Cat Welfare Society Inc receives non-reciprocal contributions of assets from the government and other parties for zero or nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

Donations

Donations and bequests are recognised as revenue when received.

Interest Revenue

Interest is recognised as it is due to the association.

Rendering of Services

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

If the outcome cannot be reliably estimated, then revenue is recognised to the extent of expense recognised that are recoverable.

Following AASB 15, revenue is recognised on a basis that reflects the transfer of promised goods and services to customers at an amount that reflects the consideration the association expects to receive in exchange for those goods and services.

Cat Welfare Society Inc

Notes to the Financial Statements For the Year Ended 30 April 2023

Revenue is recognised by applying a five step model as follows;

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Gains on Disposal of Non-current Assets

When a non-current asset is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

Other Income

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

(d) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

(e) 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 statement of financial position.

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

(f) Inventories

Inventories are measured at the lower of cost and net realisable value.

Inventories acquired at no cost, or for nominal consideration are valued at the current replacement cost as at the date of acquisition, which is deemed the cost.

(g) Property, Plant and Equipment

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

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date at fair value.

Cat Welfare Society Inc

Notes to the Financial Statements For the Year Ended 30 April 2023

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Assets measured using the revaluation model are carried at fair value at the revaluation date less any subsequent accumulated depreciation and impairment losses. Revaluations are performed whenever there is a material movement in the value of an asset under the revaluation model.

Land and Buildings

The land upon which Cat Welfare Society Inc operates was occupied under a crown lease until 15th August 1980, for this reason no cost was originally attributed to land prior to this date. On this date, under Crown Grant, the Western Australia State Government transferred ownership of the land to Cat Welfare Society Inc with a restriction on title subject to the land being held and used solely in trust for "Cats Refuge Home".

Land is measured at fair value using the revaluation model, whereby measurement subsequent to the initial recognition is at fair value at the date of the latest valuation. Buildings are valued at cost less any subsequent accumulated depreciation. This valuation is performed every 3-5 years, to reflect changes in the property market or as Board deems necessary, by an independent valuer.

The land and buildings were revalued in May 2019. The valuer was unable to quantify the effect on the value of the land of the restrictive covenant and accordingly the valuation may not represent the price the property might achieve in the open market if it were to be offered for sale. However, it does reflect the estimated cost of acquiring a replacement property in the same location with the same attributes.

Plant and Equipment

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated using the diminishing value method over the assets useful life to the association, commencing when the asset is ready for use.

Right of use assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed Asset Class	Depreciation Rate
Buildings and Additions	10 - 20 %
Plant and Equipment	7.5 - 33 %
Motor Vehicles	22.5 - 33%
Furniture and Fixtures	20%

Cat Welfare Society Inc

Notes to the Financial Statements For the Year Ended 30 April 2023

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(h) Financial Instruments

Financial assets are divided into the following categories which are described in detail below:

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any changes in their value is recognised in profit or loss. The association's trade and other receivables fall into this category of financial instruments.

Significant receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default.

The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

In some circumstances, the association renegotiates repayment terms with customers which may lead to changes in the timing of payments, the association does not necessarily consider the balance to be impaired, however assessment is made on a case-by-case basis.

(i) 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.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within the current liabilities on the statement of financial position.

(j) Employee Benefits

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 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.

(k) Adoption of New and Revised Accounting Standards

The association has adopted all standards which became effective for the first time at 30 April 2023, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the association.

Cat Welfare Society Inc

Notes to the Financial Statements For the Year Ended 30 April 2023

(l) New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting dates. The association has decided not to early adopt these Standards.

(m) Financial Assets

On initial recognition, the Association classifies its financial assets as fair value through profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Association changes its business model for managing financial assets.

Net gains or losses, including any interest or dividend income are recognised in profit or loss.

The Association's financial assets measured at FVTPL comprise Investment Funds in the statement of financial position.

NOTE 3 : Critical Accounting Estimates and Judgement

The Accounts Manager makes estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting the transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below:

Key Estimates - Receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Key Estimates - Inventory

Each item on inventory is reviewed on an annual basis to determine whether it is being carried at higher than its net realisable value. During the year, management have written down inventory based on best estimate of the net realisable value, although until the time that inventory is sold this is an estimate.

Cat Welfare Society Inc

Notes to the Financial Statements For the Year Ended 30 April 2023

NOTE 4 : Revenue and Other Income	2023	2022
	\$	\$
Revenue		
Retail Revenue	976,623	1,025,877
	976,623	1,025,877
Other Revenue		
Boarding Fees	388,986	276,248
Cat Management Facilities / Ranger	213,390	182,665
Donations and Fundraising	1,136,919	953,454
Finance Income - Interest	8,120	6,686
Other Gains / (Losses)	51,067	(2,244)
Government Grants & Other Grant Income	286,915	105,000
Legacies	1,076,865	1,749,109
Membership Income	24,829	27,075
Other Income	50,485	19,866
Rebate Income	62,624	71,103
Sale of Cats and Kittens	1,114,770	1,100,531
Sponsorship Income	17,745	20,178
Veterinary Income	93,572	82,015
	4,526,287	4,591,686
Total Revenue	5,502,910	5,617,563

NOTE 5 : Departmental and General Expenses	2023	2022
	\$	\$
Boarding Expenses	129,291	101,732
EAC / Ranger Expenses	112,292	97,963
Foster Expenses	422,167	418,024
Grounds Expenses	977,471	830,383
Reception Expenses	306,089	272,111
General Expenses	394,584	370,121
	2,341,894	2,090,334

NOTE 6 : Veterinary Clinic Expenses	2023	2022
	\$	\$
In-house Veterinary Expenses	1,197,467	1,110,011
External Veterinary Expenses	215,990	204,307
	1,413,457	1,314,318

Cat Welfare Society Inc

Notes to the Financial Statements For the Year Ended 30 April 2023

NOTE 7 : Cash and Cash Equivalents

	2023	2022
	\$	\$
Cash at Bank and in Hand	1,210,851	1,089,631
Short-term Deposits	-	-
	<u>1,210,851</u>	<u>1,089,631</u>

NOTE 8 : Trade and Other Receivables

	2023	2022
	\$	\$
CURRENT		
Trade Receivables	154,972	62,460
Other Receivables	3,724	5,442
	<u>158,696</u>	<u>67,902</u>

NOTE 9 : Inventories

	2023	2022
	\$	\$
Retail Inventory	56,108	76,496
Clinic Inventory	37,970	31,908
	<u>94,078</u>	<u>108,404</u>

NOTE 10 : Other Investments

	2023	2022
	\$	\$
DMP Investment Funds*	1,251,270	1,210,193
	<u>1,251,270</u>	<u>1,210,193</u>

*DMP Asset Management (a member of SG Hiscock Group) is a specialist discretionary portfolio manager. These funds are seen as future funds for Cat Haven and the investment fund works similarly to an individuals superannuation fund but for the business.

(a) Amounts recognised in profit or loss

During the year, the following gains / (losses) were recognised in profit or loss:

	2023	2022
	\$	\$
Fair value gains (losses) on financial assets at FVPL recognised in other income as gains / (losses)	51,067	(2,244)

Cat Welfare Society Inc

Notes to the Financial Statements For the Year Ended 30 April 2023

NOTE 11 : Property, Plant and Equipment	2023	2022
	\$	\$
LAND AND BUILDINGS		
Land at fair value	830,000	830,000
Buildings at cost	724,265	520,548
Less accumulated depreciation	(86,301)	(75,166)
	1,467,964	1,275,382
FURNITURE, FIXTURES AND FITTINGS		
At cost	132,604	96,525
Less accumulated depreciation	(67,931)	(50,128)
	64,673	46,397
MOTOR VEHICLES		
At cost	146,878	146,878
Less accumulated depreciation	(134,654)	(125,047)
	12,224	21,831
PLANT AND EQUIPMENT		
At cost	1,188,499	1,184,933
Less accumulated depreciation	(1,000,707)	(922,800)
	187,792	262,133
	1,732,653	1,605,743

Cat Welfare Society Inc

Notes to the Financial Statements For the Year Ended 30 April 2023

(a) Movement in Carrying Amounts

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year;

	Land & Buildings	Furniture, Fixtures and Fittings	Motor Vehicles	Property, Plant and Equipment	Total
	\$	\$	\$	\$	\$
Year ended 30 April 2023					
Balance at the beginning of the financial year	1,275,382	46,397	21,831	262,133	1,605,743
Additions	203,716	36,079		21,790	261,585
Deductions				(18,223)	(18,223)
Depreciation expense	(11,134)	(17,803)	(9,607)	(80,035)	(118,579)
Addback depreciation on-asset disposal				2,127	2,127
Balance at the end of the financial year	1,467,964	64,673	12,224	187,792	1,732,653

Cat Welfare Society Inc

Notes to the Financial Statements For the Year Ended 30 April 2023

NOTE 12 : Trade and Other Payables	2023	2022
	\$	\$
CURRENT LIABILITIES		
Trade Payables	226,801	172,340
Lease Liabilities	5,881	5,519
GST Payable	29,566	22,778
Payroll Payables	86,965	63,468
Other Payables	1,611	1,205
	350,824	265,310
NON CURRENT LIABILITIES		
Lease Liabilities	16,682	3,907
	16,682	3,907
	367,506	269,217

Trade and other payables are unsecured, non-interesting bearing and are normally settled within 30 days. The carrying amounts are considered to be a reasonable approximation of fair value.

NOTE 13 : Employee Benefits	2023	2022
	\$	\$
CURRENT LIABILITIES		
Annual Leave	119,937	115,346
	119,937	115,346
NON-CURRENT LIABILITIES		
Long Service Leave	87,832	101,111
	87,832	101,111

NOTE 14 : Reserves

Asset Revaluation Reserve

The asset revaluation reserve records fair value movements on property, plant and equipment held under the revaluation model.

Cat Welfare Society Inc

Notes to the Financial Statements For the Year Ended 30 April 2023

NOTE 15 : Rights of Use Assets

Lease liabilities are in place for the 6 x copier machines and have a term of 5 years with FUJIFILM, the exit cost with PRINT SYNC was absorbed in the FUJIFILM lease. Lease payments are set and not due to increase within the term of the lease.

	Canon Copier 1	Canon Copier 2	FUJIFILM	Total
Year ended 30 April 2023				
Balance at the beginning of the financial year	4,273	4,714		8,987
Addition of asset			24,752	24,752
Disposal of asset	(2,825)	(4,051)		(6,876)
Depreciation expense	(1,448)	(663)	(2,997)	(5,108)
Balance at the end of the financial year	0	(0)	21,755	21,755

	Canon Copier 1	Canon Copier 2	Multipli	Total
Year ended 30 April 2022				
Balance at the beginning of the financial year	7,943	6,395	20,470	34,808
Disposal of asset			(19,542)	(19,542)
Depreciation expense	(3,670)	(1,681)	(928)	(6,279)
Balance at the end of the financial year	4,273	4,714	-	8,987

The accompanying notes form part of these financial statements

Cat Welfare Society Inc

Notes to the Financial Statements For the Year Ended 30 April 2023

NOTE 16 : Key Management Personnel Remuneration	2023	2022
	\$	\$
The total remuneration paid to the key management personnel of Cat Welfare Society Inc during the year are as follows;		
Short-term employee benefits	100,414	85,498
Post employment benefits	10,423	8,487
	110,837	93,985

NOTE 17 : Auditors' Remuneration	2023	2022
	\$	\$
Remuneration of Crunch Auditing, for;		
- auditing or reviewing the financial statements	5,800	5,800
	5,800	5,800

NOTE 18 : Contingencies

In the opinion of the Board of Management, the Association did not have any contingencies at 30 April 2023 (30 April 2022 : None).

NOTE 19 : Events after the end of the reporting period

The financial report was authorised for issue on 01 August 2023 by the Board of Management.

The Board of Management note there has not been any material matter or circumstance occurring subsequent to the end of financial year that has significantly affected, or may significantly affect, the operations of the entity. The Board does however acknowledge the ageing facilities which may necessitate unforeseen emergency maintenance and other remediation works.

NOTE 20 : Statutory Information

The principal place of business is:
23 Lemnos Street
Shenton Park
WA 6008

Cat Welfare Society Inc


Statement by Board of Management For the Year Ended 30 April 2023


In the opinion of the Board of Management the financial report as set out on pages 1 to 17;

1. Present fairly the financial position of Cat Welfare Society Inc and its performance for the year ended on that date 30th April 2023, in accordance with Australian Accounting Standards - Simplified Disclosures (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.

2. At the date of this statement, there are reasonable grounds to believe that Cat Welfare Society 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 Board of Management and is signed for and on behalf of the Board by;

CHAIR 
ROBIN ORTON

TREASURER 
NICK COOMBES

Dated this 1st day of AUGUST 2023

Independent Audit Report to the members of Cat Welfare Society Inc

Report on the Audit of the Financial Report Qualified Opinion

We have audited the financial report of Cat Welfare Society Inc (the Entity), which comprises the statement of financial position as at 30 April 2023, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by those charged with governance.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial report presents fairly, in all material respects, including:

- (i) giving a true and fair view of the Entity's financial position as at 30 April 2023 and of its financial performance and its cash flows for the year ended; and
- (ii) complying with Australian Accounting Standards – Simplified Disclosure.

Basis for Qualified Opinion

As is common for not for profit organisations, it is not practicable to establish control over cash monies from sources such as donations, legacies and fundraising prior to it being entered into the financial records. Donations, legacies and fundraising revenue in the financial statements are therefore limited to cash that was receipted in the bank account.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described as in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Entity in accordance with the auditor independence requirements of 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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Simplified Disclosure, and for such internal control as the management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Entity'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 management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Liability limited by a scheme
approved under Professional
Standards Legislation.

CRUNCH
AUDITING

Crunch Auditing Pty Ltd
enquiry@crunchauditing.com.au
www.crunchauditing.com.au
ABN: 43 158 633 615

Auditor's Responsibilities for the Audit of the Financial Report

Our 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.

Crunch Auditing Pty Ltd

Crunch Auditing



Michael Cooper

Perth

1 August 2023

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Auditor's Independence Declaration

To the members of Cat Welfare Society Inc:

I declare that, to the best of my knowledge and belief, during the year ended 30 April 2023, there have been:

- (i) no contraventions of the auditor independence requirements as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Crunch Auditing Pty Ltd

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Michael Cooper

Perth

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