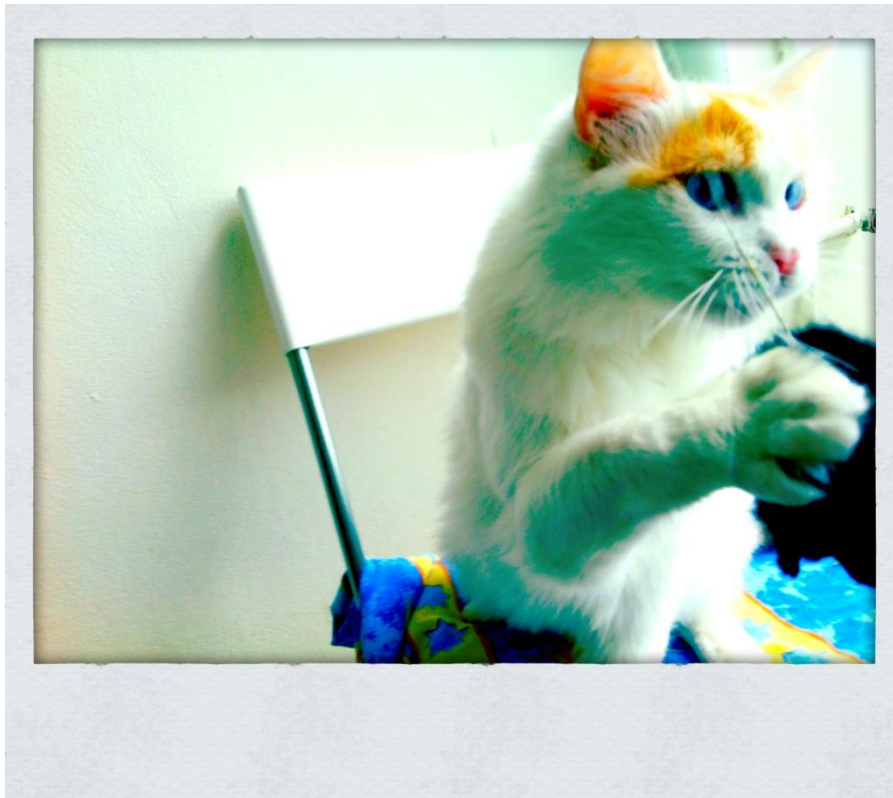


cat protection society
OF NSW INC.



Annual Report 2010-2011



BB Brady, rescued by Cat Protection

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Message from the President

We are most fortunate to report that the financial year ended with a surplus of \$500,587. This was thanks to extraordinary bequest income of \$964,975. The cats whose lives we save serve to honour the memories of those who kindly remembered Cat Protection in their Wills.

We depend on bequest income to meet up to half of our operating costs. Having financial reserves is vital for those years when there is little or no bequest income and we need to fund operations from savings. We would like to expand our services in the future but we don't have sufficient savings to do that yet. We know there is a demand for more feline welfare assistance than we have the capacity to provide. We would dearly love to be in a position to do more.

For now, we are concentrating on our target of sustainability by building reliable income streams in donations, Op Shop and merchandise sales. Every donation makes a difference: every gift is received with gratitude and all our funds are spent with care. Donation income had decreased compared with the previous year but a single exceptionally generous gift was made at the end of the financial year which gave us a final total of \$235,893 – therefore an increase in donations for the reporting year of \$18,050. Income from merchandise sales grew this year, and made a net profit of close to \$70,000. Op Shop sales were down slightly and there were additional expenses caused by the relocation, resulting in a net profit of \$91,637. However, the new shop is performing strongly and we expect a bigger profit in the current financial year.

Income from adoptions grew because we adopted more cats – cause for great celebration! We rehomed close to a thousand cats and kittens in the year. Adoption income is not profit as the adoption fee is significantly less than the costs of caring for the cat during their stay, desexing and other veterinary procedures. Caring for cats is our mission, not a means of making money. We are privileged to give all cats who come to us the best of care.

We continue, as we have since 1958, to be active in the promotion and provision of desexing services for cats in the community. We've also made significant progress in a number of policy areas affecting cat welfare. In May we launched our issues paper on pet-friendly accommodation at the first New South Wales 'Getting to Zero' workshop, which we organised with the Sydney Dogs and Cats Home. Getting to Zero is a community-wide approach to improving animal welfare outcomes.

We managed all this in a year when we also had to deal with a devastating electrical fire (on 23 December 2010) that destroyed our laundry and workroom – and tens of thousands of dollars worth of stock – but which fortunately did not hurt any cats or people. Most of the loss has now been recovered by insurance but it was traumatic and made for exceptionally difficult working conditions for about two months.

This report provides further information on our programs and achievements. Our operating costs for the year totalled \$1,425,754. To put this in some perspective, it was significantly less than the expenditure on fundraising alone by one of the major NSW animal charities. We might be small, but we achieve big things. We thank you for your support in giving us the opportunity to care for cats.

Rhonda House

OVERVIEW

The Cat Protection Society of NSW began in 1958, as a small group of people dedicated to reducing the number of stray cats by desexing and finding loving and responsible homes for street cats. We are structured as an association under the NSW Associations Incorporation Act, with a Board (committee) elected by the membership and our independently audited accounts are submitted to our AGM and the Director-General of Fair Trading each year. In the reporting period we had approximately 1,700 members.

We are an independent charity operating only in New South Wales; we do not have any branches. We are endorsed by the Australian Tax Office as a Deductible Gift Recipient which means donations \$2 and over are tax deductible.

Cat Protection is a member of Animals Australia and WSPA.

What we do

Our Vision: Every cat has a loving and responsible home

Our Mission: To work with the community at all levels for the mutual benefit of cats, people and the natural environment. We do this by:

- Finding loving and responsible homes for cats in need
- Improving the quality of life for cats by educating the community about socially and environmentally responsible cat care
- Actively working with government and non-government agencies to promote and improve cat welfare
- Honouring the unique relationship between people and cats.

Our Values: Teamwork and partnership; community engagement; fairness; participation; honesty; education; equality of opportunity; kindness; informed decision-making; respect; and sustainability.

We have a full-time equivalent staff of 12.5 (but 20 individual people) and we attend to our cats seven days a week, 365 days a year. Our work is supported by approximately 150 volunteers including foster carers and assistants for our Op Shop and cattery. Volunteers also assist us with events (eg Easter Show) and services (eg photography). As well, we have been fortunate to have pro bono professional services for legal, marketing and valuation. Our Board members all volunteer their time and receive no payment for their work.

Board

President – Ms Rhonda House

Rhonda owns and operates her own design and embroidery business. She has a Masters degree in design and has completed the AICD company directors' course. She has volunteered for Cat Protection for more than a decade, and has been President since November 2007. She is also an experienced volunteer in native bird, mammal and reptile rescue.

Vice-President – Ms Suzanne Jenkins

Suzanne has worked in the corporate world for more than 20 years in a variety of industries from publishing to private equity. She has a Business Management Certificate and extensive experience in research, office management and administration. She has served on the Board for 16 years.

Treasurer – Mrs Nita Harvey

Nita became a Life Member of Cat Protection in the 1980s and began volunteering in 1996, after retiring from her role as office manager for a major health fund. She was appointed Treasurer in 1998 and also served as president from 2004 to November 2007.

Secretary – Mrs Angelika Elliott

Angelika was born in Austria and studied design in Vienna, later moving to London where she volunteered for Cats Protection UK. She moved to Australia in 1984 and has volunteered for Cat Protection for more than 20 years. She runs her own French antique import business.

Member – Dr Dagmar Strohmaier

Dagmar is Corporate Counsel in one of Australia's leading food manufacturing companies with responsibilities for the Asia-Pacific region. She has a PhD and Masters in Law and a German law degree. She has been involved with Cat Protection for more than three years and has done work for WIRES as a volunteer. She has a strong interest in animal law and welfare.

Member – Mr Simon Stevenson

Simon is the Head of Strategy at Schroder Investment Management. He has a Bachelor of Commerce with First Class Honours and over 15 years experience working in financial markets. Before joining the Board, he was a regular donor and member.

Member – Ms Jo-Anne Rooker (resigned due to work commitments on 29 March 2011)

Jo-Anne has extensive experience in senior management roles in the private and public sectors. She has Bachelor and post-graduate qualifications in human resource management and strategic leadership, and brought to Cat Protection over 20 years experience in commerce and 15 years experience in voluntary community work.

Member – Mr John Holland (appointed 12 May 2011)

John is a Fellow of the Australian Marketing Institute and a Certified Practising Marketer, with more than 30 years executive management experience. Currently running his own marketing consultancy, he has advised commercial businesses as well as not-for-profits, and has served on the boards of Ad Partners Group and tile company Renditions Corporation. He has a BA (Hons) from Durham University and has been a member of Cat Protection since 1989.

Management team

CEO – Ms Kristina Vesk

CEO since late 2006, Kristina has a BA in Social Science and her career has been in management in public policy, public affairs and media, in the government and not-for-profit sectors. For 10 years she served as a layperson on the human research ethics committee of a Sydney teaching hospital. She is responsible for the overall management of Cat Protection, and she reports to the Board.

Feline Services Manager – Ms Nerida Atkin

Nerida has more than 10 years experience working with animals, and joined Cat Protection in 2004. She is a qualified vet nurse, with a Graduate Certificate in Animal Welfare and is currently completing studies in animal science and animal behaviour.

Operations Manager – Ms Mina Volonakis

Mina is a qualified HR professional with more than 20 years experience in businesses, ranging from major corporations to sole traders. Her career has spanned all aspects of business administration including finance, staffing, training, project management and organisation systems.

Our staff come from a variety of backgrounds but all with a passionate commitment to feline welfare. Our feline attendants include students of vet science, law, teaching, science, and graduates of animal science, companion animal studies and community welfare. We value ongoing education and learning for all our staff.

FELINE WELFARE

In 2010-11, we:

- rehomed 960 cats and kittens (approximately 60 per cent kittens and 40 per cent cats)
- reunited 14 lost cats (and 3 lost dogs!) with their people
- assisted with desexing nearly 2,000 cats living in the community (as well as desexing the 960 we rehomed plus those on site waiting for homes)
- provided information on feline health, behaviour and welfare to approximately 5,000 human clients in person or by telephone (not counting the c1,000 people who adopted cats and to whom we also provided follow up support)



One of the lost cats we reunited

In addition, an unquantifiable number of people would have received information on cat care via our website, journal and Facebook.

Where we can, we respond to cats at risk but we do not have powers under the Prevention of Cruelty to Animals Act.

One of the most resource-intensive welfare assignments we took on in the reporting period was for a number of Turkish Van cats – we reported on this in the Autumn 2011 *Cat Affairs* as follows:

Although most of our work is shelter and rehoming, we also do feline welfare work in the community. The scope of this work includes discount desexing programs and responding to cats at risk. In August last year, we received a call from someone who desperately needed help with 22 Turkish Van cats. They'd been turned away by everyone else they'd contacted; we were their last hope.

It was a very difficult situation. The person who lived with the cats (not the person who called us) was suffering from a severe medical condition and wasn't aware that the cats' health and welfare was endangered. They lived alone and no one had seen the cats, and no one was aware that the person's medical condition was so advanced.

The cats were all in one relatively small room and were not desexed. Our most experienced welfare officer had never seen anything like it; it was horrific, but she carefully and gently managed to get each cat into a carrier.

All the cats were in poor health and had worms; anaemia from flea infestation; malnourishment; and dirty, matted fur. Some of the cats had dental and gum problems; some were scarred from fights; some were kittens. There were some who had to be taken immediately to the vets to be euthanased; they were literally dying. Others subsequently were found to have fatal health conditions. While ultimately 15 survived, we did everything we possibly could for all of them.

It is very important to stress that while this situation was tragic, there is no one to blame. It was sad and distressing but nobody's fault. There had obviously once been great care for the cats and there was never an intention for them to suffer.

It was a long road to rehabilitation, but they felt better almost immediately. A bath, flea and worm treatment, good food and a warm bed that didn't need to be fought for saw each cat get a good night's sleep from day one. All the cats were attended to by our vets and all needed treatments (including dental extractions) for different conditions of varying seriousness. We had to wait for their health to be satisfactory before we could desex them. Within a few weeks, all were looking better; the kittens were the first to gain full health and be put up for adoption. Some of the adults had to wait months before we could rehome them, but now we're pleased to say all but two (at time of writing) having loving forever homes.

There being so many of them, they were named for different characters in the Brady Bunch. Turkish Vans are a particularly energetic breed with a temperament unlike most other cats, so we were fortunate to find so many eminently qualified adopters for our Bradys – thank you to all the new Brady parents!

These cats have had extraordinary journeys. We thank our supporters for making it possible for us to give cats like these the time and resources they need; not many places can or would. We also thank Nerida and her team of staff and volunteers for their hard work helping these cats on their road to recovery.



The final two Bradys have since found their forever homes.

We have also taken in cats from deceased estates, and assisted injured cats, in some cases managing to save their lives, but sadly, not always. We do everything we can for the cats in our care and some of the 'extra services' we have provided for cats in the reporting period include:

- surgery to remove an eye (the kitten arrived here with such severe infection of the eye it had to be removed but the kitten was saved and is now in a loving home)
- ultrasounds and x-rays
- dental surgery
- leg amputation
- skin cancer – ear removal
- intravenous fluid therapy.

As well, multiple blood tests, swabs and more routine veterinary treatment including general vet health checks for every single cat in our care.

In the reporting period, 22 cats and kittens were euthanased for problems including brain damage/neurological health; prolapsed anus; pancreatitis; renal failure; chest deformity; spinal defect; fading kitten syndrome; untreatable injuries; FIV; enlarged heart; and kidney cancer. Any decision to put a cat to sleep is made with care and caution, and great sadness.

Also in the reporting period, a new strain of cat flu became prevalent (about spring-time 2010) in the community of both owned and stray cats. The new strain of flu had a sudden onset and could be very debilitating, with some cats needing to be hospitalised and requiring intravenous hydration. This strain of flu did not respond well to conventional medicine and we worked with our vets on using a new (but expensive) treatment, with excellent results. Our experiences using this drug with our cats were relayed to the researchers and will assist in developing better treatment for owned and shelter cats.

Obviously our goal is to avoid or prevent illness but this is impossible in any shelter environment. Our cats come from a variety of backgrounds: some have been loved and cared for with great attention; some have been neglected or abused; and some we have no idea because they have been found on the streets. Cats are very sensitive and any stress will compromise their immune system so even the mere fact of moving into a multi-cat unfamiliar environment will challenge their health.

We aim to do all we can to keep our cats as healthy and stress-free as possible. Most cats will take a couple of weeks to settle down (kittens are typically less worried) and then learn to accept the routines of the shelter and enjoy the pampering and reassurance provided by volunteers and staff. Cats stay with us until they find their forever home – the 'average' stay for cats is one month (though some cats find their home in matter of days, some may live with us for many months).

While with us, our cats enjoy high quality food, veterinary care, love, playtime and daily supervision by qualified staff. We aim to provide a best-practice feline shelter. As a no-kill shelter we are limited admission, meaning people have to book a cat in with us as we don't always have space immediately. If we have room and no cats booked in, we contact pounds, shelters and vet clinics to see whether they have cats we can help with rehoming. For example, on one Friday in the reporting period we took in 10 cats (who were to be euthanased) from a major shelter in Western Sydney. By the Monday, we had already found

loving families for five of them, and the others found homes not long after. Unless an infectious illness is present, we work at maximum capacity so we can give as many cats as possible the chance they deserve to find a loving home to call their own.

We are sponsored by Hill's for our cats' food but in the reporting period there was an Australia-wide shortage of Science Diet that meant we had to purchase food for our cattery as well as for kittens in foster care.

Our cattery expenses for 2010-11 were \$58,786 against \$31,296 for 2009-10, and our veterinary expenses were \$143,788 against \$114,550 for 2009-10. The increased expenses reflect the increased number of cats (a >15 per cent increase in rehomed cats in 2011); increased expenditure on food; and increased expenditure on surgery and medicine.

The majority of our staff are employed in direct feline care and welfare. Any staff not working in direct feline care in our shelter provide ancillary services such as discount desexing referrals, providing information on cat care, profiling cats for the website and 'cats of the week' in media, writing information, and developing and promoting feline welfare policies.

All our cats and kittens for adoption are desexed; health-checked by a vet; microchipped; vaccinated; flea- and worm-treated; and house trained. A thorough adoption questionnaire and interview process assists us to match the right cats with the right people, and adopters are provided with follow-up support.



Mery came to Cat Protection as a stray mum. She was fostered by a staff member until her kittens were big enough to be desexed and adopted. Mery is now 'Kiki' and she and all her kittens have found loving forever homes.

FUNDING

Our operations are 99 per cent dependent on bequests, donations, sponsorship, income from the Op Shop, merchandise sales, adoption fees and membership.

We receive an annual grant of \$15,500 from the NSW Government Department of Primary Industries to assist us with our welfare work which includes our desexing programs. 2009-10 government grant income was higher because of a one-off grant from the Australian Government Department of Health and Ageing for our community pets pilot program.

We are grateful to our major sponsors **Hill's Pet Nutrition** and **Bayer Animal Health Care**. Bayer provides all cats and kittens in our care with Advocate flea and worm treatment, and Hill's provides the cats and kittens in our care with Hill's Science Diet. Both Hill's and Bayer also support us at special events and sponsored publication of our guide *Your New Cat* which is given to all new adopters.

Our Op Shop made a net profit of \$91,637 in the reporting period, down on last year's profit of \$108,914. This is due to an increase in rent as well as \$7,123 in costs associated with the move and fit-out. The move was necessary as the lease on the former premises had expired and the proposed rental agreement was unacceptable.



Opening day of our new Op Shop

The new Op Shop at 85 Enmore Road was officially opened by the Mayor of Marrickville, Fiona Byrne, on 15 January 2011. Our volunteers and customers agree the new premises are lighter and cleaner, but hasn't lost that great 'op shop' feel which we proved by winning

the Best of Sydney Award for the op shop again this year. Sales are tracking well and we anticipate an improved net profit in this financial year. We thank all our volunteers, the people who donate goods to us, and the people who shop with us, for their enormous support.

As the President has noted in her report, we were looking at donation revenue declining against the previous year (\$217,843 in 2009-10) but in the final days of the financial year a single large donation saw us exceed the previous year's result by \$18,050. Total donation income for 2010-11 was \$235,893.

Donations are vitally important to our daily operations – we simply couldn't be here without them. On behalf of each and every grateful cat whose life has been made not just possible but happy, we thank our donors.

We don't spend money soliciting donations (it costs us no extra postage to include a donation flyer in the *Cat Affairs* and the annual cost of the flyers themselves is less than \$200).

Contributions to Cat Protection are made by many people in many different ways, from donors and volunteers to sponsors. And a very special thanks to those incredible people who ran the City to Surf for the kitties – well done!

We would like to acknowledge receipt of pro bono professional services from the following:



- Darren Kane of Colin W Love & Company Lawyers;
- Karress Rhodes of KL Graphics;
- Lou from Stick Up Industries; and
- Sydney Suburban Property Valuations www.sydneypropertyvaluations.com.au

This year again, bequests provided the single largest source of income. \$964,975 was received in 2010-11 compared with \$1,066,005 the previous year. Typically, at least 40 per cent of operating expenses are met by bequest income. The additional bequest income not needed for operating expenses has been put into term deposits to ensure funds are available for those years when no bequest income is received. Bequest income cannot be planned and ideally we shouldn't rely on it for operating expenses but we have no choice at this stage.

We are trying to build other revenue streams – such as donations – so that we can have a more predictable budget. We have grown our merchandise sales again this year, making a net profit of \$66,759 compared with \$59,369 last year. What we're trying to plan for is to ensure a sufficient 'safety net' for deficit years as well as to invest in new expanded services in the future.

We have also invested in professional accountancy services to assist us with budgeting, compliance and reporting and we are moving to a national standard chart of accounts that is considered best-practice for the not-for-profit sector.

In the reporting period expenditure on repairs and maintenance grew from \$14,458 in 2009-10 to \$28,175 in 2010-11; this was partly attributable to issues arising from the December fire.

The losses incurred as a result of the fire covered many areas of expenditure but these have now been recouped from insurance, as explained in the financial report.

We thank all our supporters, past and present: without you, we would not be here caring for cats.

We recognise with deep respect and gratitude those thoughtful women and men who remembered Cat Protection in their Wills. The goodness of those people lives on in every little purring cat we save, and every person they make happy. What a wonderful gift to leave the world.

POLICY, RESEARCH AND INFORMATION

Our primary purpose is to provide care for homeless and injured cats and to help them find loving and responsible homes. However, it would be remiss to ignore the circumstances that bring them here and not consider the strategies that might *prevent* cats becoming homeless.

Pet-friendly accommodation

We have spoken for some time now about how accommodation is affecting cats and their people, with many people being forced to surrender cats due to pet-unfriendly rental or strata; and those same barriers are preventing many people who would love to have cats from adopting them.

Cat Protection has written an issues paper on the topic which we launched at the Getting to Zero workshop on 18 May 2011. This paper, as well as guidelines for pet agreements and writing pet resumés are available from our website. One of our part-time feline service attendants, Tegan Wordley, is a third year law student and a member of the NSW Young Lawyers Animal Law Committee; she presented the paper and we are continuing to work on this important policy area. We also acknowledge the work that has been done by PIAS in this area, and were pleased to attend the launch of their publication 'Pets in the City' in August 2010. Links to this publication are available from our website.

In September 2010, *City News* ran a front-page story "Property squeeze bad for cat lovers" which noted our concerns about pet-unfriendly accommodation and the distress it was causing:

Ms Vesk said some owners would even decline to choose a property because of this issue.

"Earlier this year a couple did adopt their own cat," she said.

"They'd been unable to find pet-friendly accommodation when forced to move from their rental property ... after a short while, however, they chose to break their new lease and move several suburbs away to a pet-friendly rental: they missed their cat too much."

Central magazine ran a major story on 24 May 2011 "Dearth of pet-friendly homes in Sydney affects death toll" about the increase of pets surrendered due to this problem and the need to address the issue:

She said that a cat or dog who sleeps for 18 hours a day was not necessarily a bad tenant. "We have to change this idea of two legs good, four legs bad. It comes down to a human

rights issue. For some people – older people, isolated people, people with mental health issues – their pet can be their lifeline. To deny them is wrong.”

Getting to Zero (G2Z)

G2Z is a new national initiative to reduce the number of cats and dogs euthanased in pounds and shelters. It is founded on three principles: that each community takes responsibility for saving its abandoned animals; that it *is* possible to get closer to zero each year; and that all cats and dogs are equally deserving of our utmost efforts to preserve and enhance their lives. It was developed and trialled by the AWL Queensland on the Gold Coast, with great results.

Although Cat Protection is a limited admission, no kill shelter, we still have an important role to play in the community-wide issue of feline welfare, and we help pounds and shelters by taking their cats when we have vacancies. We were invited to introduce the G2Z initiative to New South Wales and were joined by the Sydney Dogs and Cats Home in presenting the first G2Z seminar in New South Wales, which was held in the NSW Parliament Theatre on 18 May 2011, hosted by Member for Sydney Clover Moore, MP and facilitated by leading community activist, Eva Cox, AO.

About 90 animal welfare advocates and workers from a wide range of organisations participated. Joy Verrinder and Sylvana Wenderhold from AWLQ attended the workshop and explained the model and the positive impact it has had. Our Feline Services Manager presented a paper on Operation Cat and opportunities to work with councils in discount desexing programs.

There was constructive input from a variety of speakers and the audience. Throughout the day, key points from speakers and feedback from participants were noted, and then ideas and suggestions that would help rehome more companion animals were collated and later circulated to all participants. Other than staff time and printing information sheets, there were no costs incurred by Cat Protection with the workshop. We thank Clover Moore for kindly hosting and providing a wonderful venue for this milestone event.

Companion Animal Welfare

As well as the G2Z initiative, we have advocated for pet-friendly policies in other ways, corresponding with every Member of State Parliament. After the election, we wrote to the new Ministers for Local Government, and Primary Industries. After the reporting period, Cat Protection was invited to join the NSW Government's Companion Animals Taskforce, which is concerned with reducing the rate of euthanasia in New South Wales. Chaired by the Member for Charlestown, Andrew Cornwell, MP (who happens to be a vet) the Taskforce is an opportunity to develop improvements in companion animal policy and practice, and Cat Protection looks forward to constructively contributing to the work of the Taskforce.

Media, community information and advertising

We increased our expenditure on advertising from \$8,641 in 2009-10 to \$17,002 in 2010-11. The increase in adoptions reflects an increase in awareness of the benefits of cat ownership, and of cats available at Cat Protection. We still focused on achieving value for money and thank all those media through whom we advertise for their discounted rates, and the media who provide excellent free support such as publishing 'cats of the week' for us.

Our major advertising and media campaigns were focused on areas in the inner suburbs of Sydney and papers and magazines included *City News*, *City Hub*, *SX*, *LOTL*, *The Inner West Courier*, *Inner City Weekender*, *City Voice*, *the Spectator Group of papers (Eastern Suburbs)*, and *St George & Sutherland Shire Leader*.

We also ran two very successful radio advertisement campaigns on 2CH and 2GB which included a number of spots run as 'community service announcements'.

We received media coverage for the opening of our new Op Shop in the *Inner West Courier* and the *Inner West Independent*.

On 22 December the CEO did a radio interview with James Valentine on ABC Sydney radio station 702, talking about our services, cat adoptions, foster caring, volunteering and the Op Shop.

Cat Protection was referenced or quoted in stories published in the *Sydney Morning Herald*, *St George & Sutherland Shire Leader*, *SX*, *Inner West Courier*, *City Voice*, *City News*, *Central*, *Macarthur Chronicle*, *Penrith Star*, *Inner West Independent* and had a letter published in the *Sun Herald*. We did six interviews on community radio.

Michael Snape, the sculptor who created *The Dream* for us, had an exhibition of his new art at Australian Galleries in Paddington. The exhibition featured many beautiful creations inspired by cats. At the opening, Dr Elizabeth Farrelly spoke highly of Cat Protection and encouraged people to visit our shelter and to see the sculpture. The exhibition catalogue included a fascinating essay by artist Adam Geczy which also mentioned the sculpture.

We held a number of free events including an adoption information evening for people considering adopting a cat; winter cat care talks on keeping your cat healthy and happy, and moggies and motherhood; World Animal Day talks on caring for your older cat, dealing with problem behaviours, and the importance of pets to people. Also on World Animal Day (4 October) we were honoured to have the Reverend Bill Crews deliver a blessing service for our cats and our work. We learned that the Exodus Foundation supports a number of cats who provide great emotional support to Exodus clients and we have provided some assistance for their cat care with some gifts of cat food.



Reverend Crews with Sydney at the blessing of the cats

Our Open Day was again a very popular event and we also participated in external fair days including the Newtown Festival, the Cruelty Free Festival, Northcott Pet Day, Holroyd Pet Fest, Liverpool Council Microchipping Day, the Sydney University Pet Fair, the Willoughby Fauna Fair, the Royal Easter Show and the Retirement & Lifestyle Expo.

Volunteers and friends from Facebook helped with a letterbox drop campaign to promote desexing and our flyers were delivered to Balmain, Glebe, Rozelle, Allambie Heights, Rockdale, Campbelltown, Guildford, Dundas and Kogarah.

**THANK YOU TO EVERY ONE OF OUR
SUPPORTERS: YOU HAVE MADE A
DIFFERENCE TO THE LIVES OF
THOUSANDS OF OUR FELINE FRIENDS.**

The Cat Protection Society of NSW Inc

REG No. INC 988 3271

Financial Statements

For the Year Ended 31 May 2011

The Cat Protection Society of NSW Inc

REG No. INC 988 3271

For the Year Ended 31 May 2011

CONTENTS

| | <u>Page</u> |
|---------------------------------------|-------------|
| Financial Statements | |
| Committee's Report | 1 - 3 |
| Auditor's Independence Declaration | 4 |
| Statement of Comprehensive Income | 5 |
| Balance Sheet | 6 |
| Statement of Changes in Equity | 7 |
| Cash Flow Statement | 8 |
| Notes to the Financial Statements | 9 - 21 |
| Statement of Members of the Committee | 22 |
| Independent Audit Report | 23 - 24 |
| Detailed Profit & Loss Statement | 25 - 27 |

The Cat Protection Society of NSW Inc

REG No. INC 988 3271

Committee's Report

31 May 2011

Your committee members submit the financial report of the association for the financial year ended 31 May 2011.

1. General information

Committee Members

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

Dagmar Strohmaier

Angelika Elliott

Rhonda House

Nita Harvey

Suzanne Jenkins

Simon Stevenson

John Holland

Jo-Anne Rooker

Appointed 12 May 2011

Resigned 29 March 2011

Principal Activities

The principal activities of association during the financial year were:

- to provide care for lost, abandoned and unwanted cats and kittens; to provide care for injured cats and kittens without an identifiable owner; and to find the original or new owners for the cats and kittens noted above.

- The secondary purposes of the association are as follows: to educate the community about socially and environmentally responsible cat care; and to promote and improve cat welfare.

Significant Changes

The following significant changes in the nature of the principal activities occurred during the financial year:

- legacies amounting to \$964,975 were received during the year.

- the association's property's estimated value on 20 June 2011 was revised upwards by an amount of \$78,850 to \$1,550,000 following a valuation performed by Sydney Suburban Property Valuations.

- the association's managed funds with ANZ Bank increased during the year by an amount of \$16,239 and is included in the association's profit for the year.

- a fire occurred in the garage area of the cattery, causing damage to the garage, and destroying the existing washing machine, dryer and stock. A claim was processed with the society's insurers, and an amount of \$40,000 was received as at the end of the financial year.

The Cat Protection Society of NSW Inc

REG No. INC 988 3271

Committee's Report

31 May 2011

2. Business review

Operating result

The surplus/(deficit) of the association for the financial year after providing for depreciation amounted to \$ 500,587 (2010: \$ 668,972).

3. Other items

After balance day events

- The final insurance recovery in relation to the fire in the garage area was received on 27 June 2011. The final payment received was in the amount of \$25,658. This brings the total insurance payout to an amount of \$65,658.

- The society applied to close its ANZ investment portfolio on 6 June 2011. All amounts, with the exception of "suspended funds" were liquidated. The society received \$406,227 on 22 June 2011.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the association, the results of those operations or the state of affairs of the association in future financial years.

Future developments

The association expects to maintain the present status and level of operations and hence there are no likely developments in the entity's operations.

Indemnifying Officers

The association has paid premiums to insure each of the committee members against liabilities for costs and expenses incurred by them in defending legal proceedings arising from their conduct while acting in the capacity of committee member of the association, other than conduct involving a wilful breach of duty in relation to the association. The premiums for each committee member amounted to \$ 225.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the association or intervene in any proceedings to which the association is a party for the purpose of taking responsibility on behalf of the association for all or any part of those proceedings.

The association was not a party to any such proceedings during the year.

The Cat Protection Society of NSW Inc

REG No. INC 988 3271

Committee's Report

31 May 2011

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

Committee Member: [signed].....
Rhonda House

Committee Member: [signed].....
Nita Harvey

Dated this 27th day of August 2011

The Cat Protection Society of NSW Inc

REG No. INC 988 3271

Auditor's Independence Declaration

To the members The Cat Protection Society of NSW Inc

I declare that, to the best of my knowledge and belief, during the year ended 31 May 2011 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the independence requirements of the Australian professional ethical pronouncements in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

LOWER RUSSELL & FARR
Chartered Accountants

T J Zammit
Partner

26 August 2011

Signed at Penrith NSW

The Cat Protection Society of NSW Inc

REG No. INC 988 3271

Statement of Comprehensive Income

For the Year Ended 31 May 2011

| | | 2011 | 2010 |
|--|------|----------------|------------------|
| | Note | \$ | \$ |
| Revenue | 2 | 1,797,221 | 1,840,849 |
| Other income | 2 | 115,540 | 29,437 |
| Employee benefits expense | | (726,478) | (704,666) |
| Depreciation, amortisation and impairments | 3 | (51,680) | (32,369) |
| Advertising | | (17,002) | (8,641) |
| Boarding charges | | (262) | - |
| Cattery | | (58,786) | (31,296) |
| Microchips | | (3,773) | - |
| Merchandise | | (181,123) | (161,103) |
| Motor vehicle expenses | | (11,287) | (15,614) |
| Office supplies | | (30,074) | (27,576) |
| Opportunity shop expenses | | (41,040) | (27,823) |
| Veterinary expenses | | (143,788) | (114,550) |
| Other expenses | | (146,881) | (77,676) |
| Surplus for the year | | 500,587 | 668,972 |
| Other comprehensive income: | | | |
| Net gain on revaluation of land and buildings | | 78,850 | 418,850 |
| Other comprehensive income for the year, net of tax | | 78,850 | 418,850 |
| Total comprehensive income for the year | | 579,437 | 1,087,822 |

The accompanying notes form part of these financial statements.

The Cat Protection Society of NSW Inc

REG No. INC 988 3271

Balance Sheet

31 May 2011

| | Note | 2011 \$ | 2010 \$ |
|--------------------------------------|------|------------------|------------------|
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 4 | 1,892,794 | 1,425,585 |
| Inventories | 5 | 25,516 | 14,428 |
| Other financial assets | 6 | 427,746 | 411,507 |
| Other assets | 7 | 30,582 | 22,482 |
| TOTAL CURRENT ASSETS | | 2,376,638 | 1,874,002 |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 8 | 1,672,731 | 1,565,901 |
| Investment property | 9 | 26,782 | 26,782 |
| TOTAL NON-CURRENT ASSETS | | 1,699,513 | 1,592,683 |
| TOTAL ASSETS | | 4,076,151 | 3,466,685 |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 10 | 61,873 | 53,408 |
| Short-term provisions | 11 | 26,664 | 21,743 |
| TOTAL CURRENT LIABILITIES | | 88,537 | 75,151 |
| NON-CURRENT LIABILITIES | | | |
| Other long-term provisions | 11 | 16,643 | - |
| TOTAL NON-CURRENT LIABILITIES | | 16,643 | - |
| TOTAL LIABILITIES | | 105,180 | 75,151 |
| NET ASSETS | | 3,970,971 | 3,391,534 |
| EQUITY | | | |
| Reserves | | 949,986 | 871,136 |
| Retained earnings | | 3,020,985 | 2,520,398 |
| TOTAL EQUITY | | 3,970,971 | 3,391,534 |

The accompanying notes form part of these financial statements.

The Cat Protection Society of NSW Inc

REG No. INC 988 3271

Statement of Changes in Equity

For the Year Ended 31 May 2011

2011

| | Retained Earnings | Asset Revaluation Reserve | Total |
|--------------------------------|----------------------|---------------------------------|------------------|
| Note | \$ | \$ | \$ |
| Balance at 1 June 2010 | 2,520,398 | 871,136 | 3,391,534 |
| Other Comprehensive Income | - | 78,850 | 78,850 |
| Surplus/(Deficit) for the year | 500,587 | - | 500,587 |
| Sub-total | 500,587 | 78,850 | 579,437 |
| Balance at 31 May 2011 | 3,020,985 | 949,986 | 3,970,971 |

2010

| | Retained Earnings | Asset Revaluation Reserve | Total |
|--------------------------------|----------------------|---------------------------------|------------------|
| Note | \$ | \$ | \$ |
| Balance at 1 June 2010 | 1,851,426 | 452,286 | 2,303,712 |
| Other Comprehensive Income | - | 418,850 | 418,850 |
| Surplus/(Deficit) for the year | 668,972 | - | 668,972 |
| Sub-total | 668,972 | 418,850 | 1,087,822 |
| Balance at 31 May 2010 | 2,520,398 | 871,136 | 3,391,534 |

The accompanying notes form part of these financial statements.

The Cat Protection Society of NSW Inc

REG No. INC 988 3271

Cash Flow Statement

For the Year Ended 31 May 2011

| | Note | 2011 \$ | 2010 \$ |
|--|------|-------------------------|-------------------------|
| Cash from operating activities: | | | |
| Receipts from customers | | 1,582,098 | 1,604,414 |
| Payments to suppliers and employees | | (1,363,233) | (1,180,024) |
| Donations received | | 235,893 | 216,223 |
| Interest received | | 72,775 | 25,686 |
| Net cash provided by (used in) operating activities | 13 | <u>527,533</u> | <u>666,299</u> |
| Cash flows from investing activities: | | | |
| Proceeds from sale of plant and equipment | | - | 4,545 |
| Purchase of property, plant and equipment | | (82,319) | (32,741) |
| Purchase of other non current assets | | - | (26,782) |
| Net cash provided by (used in) investing activities | | <u>(82,319)</u> | <u>(54,978)</u> |
| Cash flows from financing activities: | | | |
| Proceeds from memberships | | 21,995 | 24,812 |
| Net cash provided by (used in) financing activities | | <u>21,995</u> | <u>24,812</u> |
| Net increase (decreases) in cash held | | 467,209 | 636,133 |
| Cash at beginning of financial year | | <u>1,425,585</u> | <u>789,452</u> |
| Cash at end of financial year | 4 | <u><u>1,892,794</u></u> | <u><u>1,425,585</u></u> |

The accompanying notes form part of these financial statements.

The Cat Protection Society of NSW Inc

REG No. INC 988 3271

Notes to the Financial Statements

For the Year Ended 31 May 2011

1 Summary of Significant Accounting Policies

(a) General Information

The financial report covers The Cat Protection Society of NSW Inc as an individual entity. The Cat Protection Society of NSW Inc is an association incorporated in New South Wales under the *Associations Incorporation Act*.

(b) Basis of Preparation

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

The financial report has been prepared on an accruals 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.

(c) Presentation of financial statements

Because the precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements for a period necessarily involves the use of estimates and approximations which have been made using careful judgment. These estimates are based on management's best knowledge of current events and actions that the entity may undertake in the future.

(d) 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.

(e) Trade and other receivables

The entity considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required.

(f) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a first-in first-out basis.

The Cat Protection Society of NSW Inc

REG No. INC 988 3271

Notes to the Financial Statements

For the Year Ended 31 May 2011

1 Summary of Significant Accounting Policies continued

(g) Financial Assets

Recognition

Investments held are originally recognised at cost which includes transaction costs. They are subsequently measured at fair value which is equivalent to their market bid price at reporting date. Movements in fair value are recognised through the income statement.

(h) Property, Plant and Equipment

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.

Property

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and equipment

Plant and equipment are measured on the cost basis.

The Cat Protection Society of NSW Inc

REG No. INC 988 3271

Notes to the Financial Statements

For the Year Ended 31 May 2011

1 Summary of Significant Accounting Policies continued

(h) Property, Plant and Equipment continued

Plant and equipment - carrying amount

The carrying amount of plant and equipment is reviewed annually by committee members to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets including buildings, is depreciated on a straight-line basis (and diminishing value basis for motor vehicles) over the asset's useful life commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset

| | |
|---------------------|---------------|
| Buildings | 2.5% SL |
| Plant and Equipment | 10 - 30% SL |
| Motor Vehicles | 22.5 - 25% DV |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

(i) Trade payables

Trade and other payables are stated at cost, which approximates fair value due to the short term nature of these liabilities.

(j) Income Tax

No provision for income tax has been raised as the association is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

(k) Provisions

Provisions are recognised when the association 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.

Provisions are measured using the best estimate of the amounts required to settle the obligation at balance date.

The Cat Protection Society of NSW Inc

REG No. INC 988 3271

Notes to the Financial Statements

For the Year Ended 31 May 2011

1 Summary of Significant Accounting Policies continued

(l) Impairment of Assets

At each reporting date, the association 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.

(m) Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits have been measured at the amounts expected to be paid when the liability is settled.

(n) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable.

Interest revenue is recognised using the effective interest rate 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 association obtains control over the funds which is generally at the time of receipt.

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

(o) Government Grants

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating.

(p) 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 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 balance sheet are shown inclusive of GST.

(q) Comparative Figures

Comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by accounting standards or as a result of a change in accounting policy.

The Cat Protection Society of NSW Inc

REG No. INC 988 3271

Notes to the Financial Statements

For the Year Ended 31 May 2011

1 Summary of Significant Accounting Policies continued

(r) Leases

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(s) Critical Accounting Estimates and Judgments

The committee members evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and based on current trends and economic data, obtained both externally and within the association.

2 Revenue and Other Income

(a) Sales revenue breakup

| | 2011 \$ | 2010 \$ |
|------------------------|------------------|------------------|
| Sales revenue | | |
| - Sale of goods | 522,774 | 473,903 |
| - Services revenue | 35,408 | 37,047 |
| - Government grants | 15,500 | 20,536 |
| - Donations | 235,893 | 217,843 |
| - Member subscriptions | 21,995 | 24,812 |
| - Legacies | 964,975 | 1,066,005 |
| - Fundraising | 676 | 703 |
| Total Revenue | <u>1,797,221</u> | <u>1,840,849</u> |

(b) Other Income breakup

| | Note | 2011 \$ | 2010 \$ |
|-------------------|------|----------------|---------------|
| Other revenue | | | |
| - Interest income | | 72,775 | 25,686 |
| - Recoveries | | 40,725 | - |
| - Other income | | 2,040 | 3,751 |
| | | <u>115,540</u> | <u>29,437</u> |

The Cat Protection Society of NSW Inc

REG No. INC 988 3271

Notes to the Financial Statements

For the Year Ended 31 May 2011

3 Profit for the Year

(a) Expenses

| | 2011 | 2010 |
|---|--------|--------|
| | \$ | \$ |
| Depreciation of property, plant and equipment | 51,680 | 32,369 |
| Remuneration of auditor | | |
| auditing or reviewing the financial report | 8,300 | 8,240 |
| other services | - | 360 |
| | | |
| Rental expense on operating leases | | |
| Operating lease rental | 32,164 | 26,000 |

(b) Significant Revenue and Expenses

| | 2011 | 2010 |
|---|---------|-----------|
| | \$ | \$ |
| The following significant revenue and expense items are relevant in explaining the financial performance: | | |
| Legacies | 964,975 | 1,066,005 |
| Unrealised profit/(loss) on ANZ Private Investment Portfolio | 16,239 | 39,770 |
| Insurance Recovery | 40,725 | - |

(c) Revenue and Other Income

| | 2011 | 2010 |
|--|--------|--------|
| | \$ | \$ |
| Net gains on disposal of property, plant and equipment | - | 2,380 |
| Net loss on disposal of property, plant and equipment | 2,659 | - |
| | | |
| ANZ Private Portfolio | | |
| Profit on revaluation | 16,239 | 39,770 |

The Cat Protection Society of NSW Inc

REG No. INC 988 3271

Notes to the Financial Statements

For the Year Ended 31 May 2011

4 Cash and Cash Equivalents

| | 2011 | 2010 |
|--------------------------|------------------|------------------|
| | \$ | \$ |
| Cash on hand | 350 | 350 |
| Cash at bank | 117,729 | 356,561 |
| Short-term bank deposits | 1,774,715 | 1,068,674 |
| | <u>1,892,794</u> | <u>1,425,585</u> |

5 Inventories

| | 2011 | 2010 |
|----------------|---------------|---------------|
| | \$ | \$ |
| CURRENT | | |
| At Cost | | |
| Finished goods | 25,516 | 14,428 |
| | <u>25,516</u> | <u>14,428</u> |

6 Other Financial Assets

| | 2011 | 2010 |
|-----------------------|----------------|----------------|
| | \$ | \$ |
| CURRENT | | |
| ANZ Private Portfolio | 427,746 | 411,507 |
| Total Current Assets | <u>427,746</u> | <u>411,507</u> |

7 Other Assets

| | 2011 | 2010 |
|------------------|---------------|---------------|
| | \$ | \$ |
| CURRENT | | |
| Prepayments | 23,465 | 16,442 |
| Deposits on hand | 7,117 | 6,040 |
| | <u>30,582</u> | <u>22,482</u> |

The Cat Protection Society of NSW Inc

REG No. INC 988 3271

Notes to the Financial Statements

For the Year Ended 31 May 2011

8 Property, Plant and Equipment

| | 2011 \$ | 2010 \$ |
|-------------------------------------|------------------|------------------|
| LAND AND BUILDINGS | | |
| Freehold land | | |
| At independent estimate | 665,000 | 346,000 |
| Total freehold land | 665,000 | 346,000 |
| Buildings | | |
| At independent estimate | 885,000 | 1,154,000 |
| Total buildings | 885,000 | 1,154,000 |
| Total land and buildings | 1,550,000 | 1,500,000 |
| PLANT AND EQUIPMENT | | |
| Plant and equipment | | |
| At cost | 142,513 | 63,671 |
| Accumulated depreciation | (57,870) | (46,682) |
| Total plant and equipment | 84,643 | 16,989 |
| Motor vehicles | | |
| At cost | 66,144 | 66,144 |
| Accumulated depreciation | (54,764) | (51,059) |
| Total motor vehicles | 11,380 | 15,085 |
| Office equipment | | |
| At cost | 67,028 | 66,210 |
| Accumulated depreciation | (40,320) | (32,383) |
| Total office equipment | 26,708 | 33,827 |
| Total plant and equipment | 122,731 | 65,901 |
| Total property, plant and equipment | 1,672,731 | 1,565,901 |

Freehold land and buildings located at 103 Enmore Road, Newtown, NSW, has been estimated by Sydney Suburban Property Valuations as at 20 June 2011.

The Cat Protection Society of NSW Inc

REG No. INC 988 3271

Notes to the Financial Statements

For the Year Ended 31 May 2011

8 Property, Plant and Equipment continued

(a) Movements in Carrying Amounts

Movement in the carrying amount for each class of property, plant and equipment between the beginning and the end of the current financial year:

| | Land | Buildings | Plant and Equipment | Motor Vehicles | Office Equipment | Total |
|---|---------|-----------|------------------------|----------------|---------------------|-----------|
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Balance at 31 May 2011 | | | | | | |
| Balance at the beginning of year | 346,000 | 1,154,000 | 16,989 | 15,085 | 33,827 | 1,565,901 |
| Additions | - | - | 81,501 | - | 818 | 82,319 |
| Disposals | - | - | (2,659) | - | - | (2,659) |
| Depreciation expense | - | (28,850) | (11,188) | (3,705) | (7,937) | (51,680) |
| Revaluation increase recognised in equity | 319,000 | (240,150) | - | - | - | 78,850 |
| Carrying amount at the end of 31 May 2011 | 665,000 | 885,000 | 84,643 | 11,380 | 26,708 | 1,672,731 |
| Balance at 31 May 2010 | | | | | | |
| Balance at the beginning of year | 346,000 | 754,000 | 22,049 | 22,286 | 4,509 | 1,148,844 |
| Additions | - | - | 618 | - | 32,122 | 32,740 |
| Disposals | - | - | - | (2,164) | - | (2,164) |
| Depreciation expense | - | (18,850) | (5,678) | (5,037) | (2,804) | (32,369) |
| Revaluation increase recognised in equity | - | 418,850 | - | - | - | 418,850 |
| Carrying amount at the end of 31 May 2009 | 346,000 | 1,154,000 | 16,989 | 15,085 | 33,827 | 1,565,901 |

The Cat Protection Society of NSW Inc

REG No. INC 988 3271

Notes to the Financial Statements

For the Year Ended 31 May 2011

9 Investment Property

| | 2011 | 2010 |
|------------------------------|---------------|---------------|
| | \$ | \$ |
| Balance at beginning of year | 26,782 | - |
| Acquisitions | - | 26,782 |
| Balance at end of the period | <u>26,782</u> | <u>26,782</u> |

The investment property represents the sculpture "The Dream".

10 Trade and other payables

| | 2011 | 2010 |
|--------------------------------------|---------------|---------------|
| | \$ | \$ |
| CURRENT | | |
| Unsecured liabilities | | |
| Trade payables | 39,877 | 31,171 |
| Sundry payables and accrued expenses | 28,135 | 27,977 |
| Accrued expense (GST) | (6,139) | (5,740) |
| | <u>61,873</u> | <u>53,408</u> |

11 Provisions

| | Employee entitlements | Total |
|--------------------------------|-----------------------|---------------|
| | \$ | \$ |
| Opening balance at 1 June 2010 | 21,743 | 21,743 |
| Additional provisions | 21,564 | 21,564 |
| Balance at 31 May 2011 | <u>43,307</u> | <u>43,307</u> |

Analysis of Total Provisions

| | 2011 | 2010 |
|-------------|---------------|---------------|
| | \$ | \$ |
| Current | 26,664 | 21,743 |
| Non-current | 16,643 | - |
| | <u>43,307</u> | <u>21,743</u> |

The Cat Protection Society of NSW Inc

REG No. INC 988 3271

Notes to the Financial Statements

For the Year Ended 31 May 2011

12 Auditors' Remuneration

| | 2011 | 2010 |
|---|-------|-------|
| | \$ | \$ |
| Remuneration of the auditor of the association for: | | |
| - auditing or reviewing the financial report | 8,300 | 8,240 |
| - other services | - | 360 |

13 Cash Flow Information

(a) Reconciliation of Cash Flow from Operations with Profit after Income Tax

| | 2011 | 2010 |
|--|----------|----------|
| | \$ | \$ |
| Surplus/(Deficit) for the year | 500,587 | 668,972 |
| Cash flows excluded from profit attributable to operating activities | | |
| Non-cash flows in profit | | |
| Depreciation | 51,680 | 32,369 |
| Net loss/(gain) on disposal of property, plant and equipment | 2,659 | (2,380) |
| Unrealised gains/(losses) on investments | (16,239) | (39,770) |
| Income from memberships | (21,995) | (24,812) |
| Changes in assets and liabilities | | |
| (Increase)/decrease in inventories | (11,088) | (6,967) |
| (Increase)/decrease in other assets | (8,100) | 11,962 |
| Increase/(decrease) in trade payables and accruals | 8,465 | 22,666 |
| Increase/(decrease) in provisions | 21,564 | 4,259 |
| Cashflow from operations | 527,533 | 666,299 |

The Cat Protection Society of NSW Inc

REG No. INC 988 3271

Notes to the Financial Statements

For the Year Ended 31 May 2011

14 Capital and Leasing Commitments

(a) Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements:

| | 2011 | 2010 |
|---------------------------------|---------------|----------|
| | \$ | \$ |
| - not later than 12 months | 33,800 | - |
| - between 12 months and 5 years | 53,517 | - |
| | <u>87,317</u> | <u>-</u> |

During the financial year the association relocated the Op-Shop to 85 Enmore Rd and signed a new rental lease.

(b) Capital Expenditure Commitments

Capital expenditure commitments contracted for:

| | | |
|---|----------|---------------|
| Website costs | - | 16,000 |
| | <u>-</u> | <u>16,000</u> |
| Payable: | | |
| - not later than 12 months | - | 16,000 |
| Development of the association's website. | <u>-</u> | <u>16,000</u> |

15 Winding up of Gift Fund and surplus assets on winding up or dissolution

If the Gift Fund is wound up or the association ceases to be a Deductible Gift Recipient for any reason, any surplus assets of the Gift Fund remaining after the payment of liabilities attributable to it must be transferred to a fund, authority or institution to which income tax deductible gifts can be made. Upon the winding up or dissolution of the association, any remaining property after satisfaction of all debts and liabilities, will not be paid to or distributed among the members, but will be given or transferred to some other institution or company which satisfies both the following requirements:

(a) It has objects similar to the objects of the association;

(b) Its constituent documents prohibit the distribution of its income and property among its members on terms substantially to the effect of clause 36A (refer to Note 17).

This is to be determined by the members at or before the time of winding up or dissolution of the association and, in default of any determination, by the Supreme Court of New South Wales.

16 Members' liabilities

The liability of a member of the association to contribute towards the payment of the debts and liabilities of the association or the costs, charges or expenses of the winding up of the association is limited to the amount, if any, unpaid by the member in respect of membership of the association.

17 No distribution of profits

No income or property of the association may be paid or transferred, directly or indirectly to any member.

The Cat Protection Society of NSW Inc

REG No. INC 988 3271

Notes to the Financial Statements

For the Year Ended 31 May 2011

18 Fundraising activities

The total gross income from fundraising appeals and the Op Shop was in excess of \$100,000 during the financial year. Details showing how the funds were received and applied are as follows:

| | 2011 | 2010 |
|---------------------------------------|----------------|----------------|
| | \$ | \$ |
| Income | | |
| Opportunity shop sales | 132,677 | 136,737 |
| Fundraising | 676 | 703 |
| Total Fundraising Income | 133,353 | 137,440 |
| less: Expenses | | |
| Op shop - Rent | 32,164 | 26,000 |
| Op Shop - Amenities | 62 | 29 |
| Op Shop - Phone | 576 | 517 |
| Op Shop - Water | 175 | 60 |
| Op Shop - Electricity | 939 | 543 |
| Op Shop - Relocation/Maintenance | 7,123 | 674 |
| Other Fundraising expenses | 518 | 687 |
| Total Fundraising Expenses | 41,557 | 28,510 |
| Total surplus from fundraising | 91,796 | 108,930 |

19 Events after the end of the Reporting Period

The following events have occurred after the end of the reporting period:

- The final insurance recovery in relation to the fire in the garage area was received on 27 June 2011. The final payment received was in the amount of \$25,658. This brings the total insurance payout to an amount of \$65,658.
- The society applied to close its ANZ investment portfolio on 6 June 2011. All amounts, with the exception of "suspended funds" were liquidated. The society received \$406,227 on 22 June 2011.

Neither of the above after balance date events have been taken up as adjustments to the balances or results disclosed in these financial reports.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the association, the results of those operations or the state of affairs of the association in future financial years.

20 Association Details

Principal place of business

The principal place of business is:

The Cat Protection Society of NSW Inc
103 Enmore Road
Newtown NSW 2042

The Cat Protection Society of NSW Inc

REG No. INC 988 3271

Statement of 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 5 to 21:

1. Presents a true and fair view of the financial position of The Cat Protection Society of NSW Inc as at 31 May 2011 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that The Cat Protection Society of NSW Inc will be able to pay its debts as and when they fall due.

In respect of fundraising appeals, we declare that in our opinion:

(a) the accounts give a true and fair view of all income and expenditure of the Cat Protection Society of NSW Incorporated with respect to fundraising appeals; and

(b) the Balance Sheet gives a true and fair view of the state of the affairs with respect to fundraising appeals; and

(c) the provisions of the Charitable Fundraising Act 1991 and the regulations under that Act and the conditions attached to the authority to fundraise have been complied with; and

(d) the internal controls exercised by The Cat Protection Society of NSW Inc are appropriate and effective in accounting for all income received and applied by The Cat Protection Society of NSW Inc from any of its fundraising appeals.

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

President [signed].....
Rhonda House

Treasurer [signed].....
Nita Harvey

Dated this 27th day of August 2011

The Cat Protection Society of NSW Inc

REG No. INC 988 3271

Independent Audit Report to the members of The Cat Protection Society of NSW Inc

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of The Cat Protection Society of NSW Inc (the association), which comprises the balance sheet as at 31 May 2011, and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies, other explanatory notes and the statement of members of the committee.

The Responsibility of the Directors for the Financial Report

The committee members of the association are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the requirements of the association's rules and are appropriate to meet the needs of the members. The committee members' responsibility also includes 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 judgement, 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 members, 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 members' financial reporting under the entity's constitution. 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.

The Cat Protection Society of NSW Inc

REG No. INC 988 3271

Independent Audit Report to the members of The Cat Protection Society of NSW Inc

Independence

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

Auditor's Opinion

In our opinion the financial report presents fairly, in all material respects, the financial position of The Cat Protection Society of NSW Inc as of 31 May 2011 and of its financial performance and its cash flows for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist The Cat Protection Society of NSW Inc to meet the requirements of the *Associations Incorporation Act*. As a result, the financial report may not be suitable for another purpose.

Report on Other Legal and Regulatory Requirements

We also report that:

- (a) the financial statements show a true and fair view of the financial result of fundraising appeals conducted during the year;
- (b) the accounting and associated record have been properly kept during the year in accordance with the Charitable Fundraising Act 1991 and the Regulations;
- (c) money received as a result of fundraising appeals conducted during the year has been properly accounted for and applied in accordance with the Charitable Fundraising Act 1991 and the Regulations; and
- (d) at the date of this report, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

LOWER RUSSELL & FARR
Chartered Accountants

T J Zammit
Partner

Signed at Penrith NSW.
29 August 2011

The Cat Protection Society of NSW Inc

REG No. INC 988 3271

For the Year Ended 31 May 2011

Disclaimer

The additional financial data presented on 26 -27 is in accordance with the books and records of the association which have been subjected to the auditing procedures applied in our statutory audit of the association for the year ended 31 May 2011. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than The Cat Protection Society of NSW Inc) in respect of such data, including any errors of omissions therein however caused.

Penrith

29 August 2011

LOWER RUSSELL & FARR

.....

The Cat Protection Society of NSW Inc

REG No. INC 988 3271

For the Year Ended 31 May 2011

Detailed Profit and Loss Statement

| | 2011 \$ | 2010 \$ |
|-----------------------------|------------------|------------------|
| Income | | |
| Sale - cats | 142,215 | 116,695 |
| Sale - merchandise | 247,882 | 220,472 |
| Opportunity shop sales | 132,677 | 136,737 |
| Desexing and microchipping | 35,408 | 37,047 |
| Interest income | 72,775 | 25,686 |
| Member subscriptions | 21,995 | 24,812 |
| Government grants | 15,500 | 20,536 |
| Donations | 235,893 | 217,843 |
| Insurance recoveries | 40,725 | - |
| Legacies | 964,975 | 1,066,005 |
| Fundraising | 676 | 703 |
| Other income | 2,040 | 3,751 |
| Total income | 1,912,761 | 1,870,287 |
| Less: Expenses | | |
| Advertising | 17,002 | 8,641 |
| Audit fees | 8,300 | 8,600 |
| Bank charges | 4,795 | 4,239 |
| Boarding charges | 262 | - |
| Bookkeeping | 21,420 | 9,635 |
| Cattery | 58,786 | 31,296 |
| Cleaning and waste disposal | 20,906 | 17,889 |
| Community information | 1,530 | 1,952 |
| Depreciation | 51,680 | 32,369 |
| Electricity | 8,534 | 6,703 |
| Fundraising expenses | 518 | 687 |
| Freight and cartage | 272 | 74 |
| Gas | 854 | 873 |
| Insurance | 23,256 | 10,287 |
| Internet expenses | 946 | 4,643 |
| Long service leave | 16,643 | - |
| Merchandise | 181,123 | 161,103 |
| Microchips | 3,773 | - |
| Motor vehicle expenses | 11,287 | 15,614 |
| Office supplies | 30,074 | 27,576 |
| Opportunity shop expenses | 41,040 | 27,823 |
| Permits, licenses and fees | 1,977 | 2,473 |
| Postage | 10,457 | 9,999 |
| Printing and stationery | 16,281 | 13,993 |
| Provision for annual leave | 4,921 | 4,259 |
| Rates and taxes | - | 256 |

The Cat Protection Society of NSW Inc

REG No. INC 988 3271

For the Year Ended 31 May 2011

| | 2011 | 2010 |
|--|------------------|------------------|
| | \$ | \$ |
| Repairs and maintenance | 28,175 | 14,458 |
| Road tax - tolls | (150) | 1,167 |
| Salaries | 645,637 | 636,085 |
| Staff training | 2,164 | 4,885 |
| Staff amenities | 3,116 | 2,308 |
| Superannuation contributions | 57,112 | 59,436 |
| Telephone and fax | 5,090 | 6,672 |
| Travel | 469 | 288 |
| Volunteer expenses | 2,168 | 715 |
| Veterinary expenses | 143,788 | 114,550 |
| Water | 1,548 | 1,918 |
| Total Expenses | 1,425,754 | 1,243,466 |
| Gain and (loss) on disposal of assets | (2,659) | 2,380 |
| Unrealised profit on revaluation of investment | 16,239 | 39,770 |
| | 13,580 | 42,150 |
| Surplus for the year | 500,587 | 668,971 |