

cat protection society
OF NSW INC.



Annual Report 2011-2012



Hero, saved by the Cat Protection community

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Message from the President

On behalf of the Board, I wish to thank everyone who helped to make 2011-12 another successful year for Cat Protection. I also thank Ms Suzanne Jenkins who retired from her position on the Board after more than 16 years of service, and I welcome Mr Mark Hubert to the Board.

With less than one per cent of our income coming from the NSW Government, our operations are only possible thanks to the generosity of donors, members, people remembering us in their Wills, sponsors, clients, volunteers and other supporters. It is these people who provide 99 per cent of our income and without them we would not be here. Thank you all for your kindness.

As Sydney's only no-kill shelter just for cats, we matter profoundly – not only to cats and the people who love them, but also more broadly to the community and to the animal welfare sector through our leadership in demonstrating best practice feline care and shelter. We may be small, but our paw print is large.

I've remarked before that, to put our financial position in context, we spend less money each year on our entire operations than the NSW RSPCA spends in a year on fundraising. Sometimes people have enormous expectations of us, and the demands on our services are always high – we have to remind people that our resources are very limited. We are not a 'big player' when it comes to money but we are most certainly an important force when it comes to cats as our report shows.

We concluded the 2011-12 financial year with a surplus of \$59,132 – a surplus only made possible due to significant bequest income of \$621,371 and a record \$241,947 in donations. We are dependent on bequests to meet about half our operating expenses but of course, bequest income is not predictable so donations and other sources of income are essential to our viability.

We're pleased that we again received an unqualified audit. The financial year 2011-12 was the first in which we have used the national Standard Chart of Accounts (SCOA) developed by the Australian Centre for Philanthropy and Nonprofit Studies in the Queensland University of Technology. The SCOA were designed to assist not-for-profit organisations (and those who fund them) by providing consistency in accounting categories and terms in non-government organisations. Therefore you will see that the detailed profit and loss statement at the end of the report does not include a comparison with 2011 results because we would not have been able to exactly compare like with like. However, in the body of the financial statements where major income and expenditure items are aggregated, year on year comparisons are provided. Significant among these is the increase in current assets, attributable to investing last year's surplus into term deposits.

To be prudent, we need to maintain sufficient cash reserves for those years when we are not the beneficiary of significant bequest income and will require deficit funding. That is why we continue to need your support – we need income for today and savings for tomorrow. We'd love to be able to expand our services but that depends on even more income – so please accept our thanks for your generosity and understand why we need to ask for your continued support.

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 1,800 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 is 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.

We value teamwork and partnership; community engagement; fairness; participation; honesty; knowledge; equality of opportunity; kindness; informed decision-making; respect; and sustainability.

In the reporting period we had a full-time equivalent staff of 12 (but 23 individual people). We care for cats seven days a week, 365 days a year. Our work is supported by approximately 160 volunteers including foster carers and assistants for our Op Shop and cattery. Volunteers also assist us with events (eg festivals and fair days) and services (eg photography). As well, we have been fortunate to have pro bono professional services for legal, marketing, graphic design and signage. Our Board members all volunteer their time and receive no payment for their work.

Our staff and volunteers come from a variety of backgrounds but all with a passionate commitment to feline welfare. Our staff includes vet nurses; students of vet science; and students and graduates of animal science, social science, biology, forensic science, companion animal studies and community welfare. We value ongoing education and learning for all our staff and have a particular interest in shelter medicine.

FELINE WELFARE

In 2011-12, we:

- **rehomed 985 cats and kittens** (up from 960 the previous year). Of these, 29 per cent were adult cats and 71 per cent kittens (6 months or younger). All cats and kittens were desexed prior to adoption (only about 10 per cent of cats and kittens surrendered to us are already desexed)
- **reunited 12 lost cats, 1 lost kitten and 4 lost dogs** with their people
- assisted with **desexing 1,936 cats living in the community** including 185 cats in partnership with Sydney, Fairfield, Liverpool, Penrith and Warringah councils
- **admitted 1,063 cats** – our kittens and cats come from a variety of circumstances included owned surrendered cats (with 'pet-unfriendly accommodation' being the cause of up to 20 per cent of owned-surrenders), stray cats, abandoned cats and cats from deceased estates. When we have capacity, we will actively seek cats from pounds, shelters and vet clinics to assist their capacity for cats. In the reporting period, we took in 40 kittens and 36 adults from such facilities, and a further 18 adults and 10 kittens from a private rescue sanctuary
- worked with human service agencies in special cases where one-on-one assistance was required to help individuals reduce the number of cats in their care, find homes for the cats who could not stay with them and desex the remaining cats so that the problem did not recur
- **provided information on feline health, behaviour and welfare to more than 5,000 human clients** in person or by telephone as well as providing information and follow-up support to all adopters (900+ people)
- supported an unknown number of people with information on cat care and behaviour via our website, journal and Facebook.

We also ran four kitten kindys; an adoption information evening; and information sessions on moggies and mums; apartment living; and cat health ('what's normal and what's not').

All cats and kittens we adopt have been desexed, health-checked by a vet, flea- and worm-treated, vaccinated, microchipped and are litter trained. A detailed adoption questionnaire and consultation process helps us to match the right cats with the right people. Adopters are given written information to take home including a booklet *Your New Cat*, a bag of Science Diet food and some of the cat's bedding to help the cat settle in their new home. All adopters receive post-adoption support from our Feline Services team.

No-kill shelter

As a no-kill shelter euthanasia is a last resort.

In the reporting period, more than 50 cats in our care received specialist medical, surgical or behavioural treatment or therapies before being rehomed. Seven cats needed intensive socialisation which is provided in line with an individualised care plan for the cat, and which may include medication. These cats are kept away from the adoption area until their behaviour has settled and they are ready to be rehomed.

Fourteen cats received specialist surgery including for a fractured pelvis; tail and limb amputations; broken jaw; skin cancer; removal of growths; hernia repair; eye removal; and ear polyps.

Five cats needed extensive dental surgery including tooth extraction and prescription dental diets. Eight cats came to us with such severe fur matting that they required full clips under sedation. Many cats have been treated for severe eye infections and most have

responded to medication supplemented with herbal remedies; where the infection is too severe or recurring then surgical removal of the eye is necessary.

A number of cats arrived requiring treatment for severe skin and flea allergies, and a number had dietary issues that were difficult to resolve. One cat had ongoing diarrhoea which did not respond to medication; she has since been treated with a customised, vet-prescribed diet which has been successful.

Cats with conditions that have not responded to traditional veterinary medicine have been referred to the All Natural Vet Clinic (where both traditional and alternative veterinary medicine is practised). We have had success for a variety of cats with a variety of conditions using treatments from herbs and acupuncture to special diets, laser light pulse therapy and probiotics.

One of our very special cases, Pippa, was picked up from a deceased estate with her young kitten. Soon after arriving she spontaneously aborted a litter of very small kittens and was rushed to the vet. The vet found she had a mass of unformed deceased kittens inside her uterus that were putrefied. It is a miracle she had lived as long as she had. After surgery she required antibiotics, rest and then months of socialisation before being suitable for adoption. She has since found a loving forever home.



Pippa

On admission, all our cats are washed with an antifungal treatment to reduce the risk of ringworm. The treatment we use is more expensive than standard antifungal shampoo but it causes the cats less stress. Ringworm is actually more common in preschools and childcare centres than animal shelters, however, Sydney's humid climate creates a constant risk for the transmission of ringworm spores. If any of our cats or kittens are found to have ringworm they are isolated and treated, and rehomed when Fungassays show they are clear.

As well as standard vaccinations and parasite treatments, on admission our cats are also provided with preventative herbs and L-lysine to minimise the incidence of flu, and we use Feliway diffusers and spray to help them feel secure, and diluted rescue remedy for stressed cats. In severe cases of stress, medication may be used to assist the cat, but usually non-medical means such as familiar bedding, teddy bears, igloo beds, cage covers, soothing music and kind words will be enough to help cats to settle into their new environment.

We have been privileged to adopt many senior cats – many of these cats have been much-loved cats whose people have passed away. These cats are given full blood works and many will require special diets for early stage kidney disease and many will be treated for arthritis. While these cats tend to have to wait longer for adoption, we're fortunate that there are many people prepared to take on the special needs (and enjoy the special love) of a senior cat. Cats grieving for their owners require extra TLC, in which task of providing our staff are greatly supported by our generous volunteers.

While we are pleased that we could save all these special needs cats, sadly not every cat's condition responds to treatment, or is even treatable. As we take in cats from all kinds of circumstances (including strays) it is to be expected that a small percentage will have untreatable conditions, and in fact some cats are close to death on arrival. All our cats are health checked by our vets and any decision on euthanasia is made on a case-by-case basis in consultation with the treating vet. Diagnosis can involve X-rays, ultrasounds and blood work. Where appropriate and possible, our first option is to treat the cat.

In the reporting period, 37 kittens and cats were put to sleep. Reasons for euthanasia were enlarged heart, fading kitten syndrome, orphaned newborns for whom no surrogate mother was available, FIV/AIDS, heart murmur, cancer, advanced infection that did not respond to treatment, malformed bowel, degenerative heart condition, bone infection, neurological disorder, untreatable tumor, gastrointestinal disease and severe behavioural problems.

We give love, respect and dignity to every single cat in our care and we thank our vets and their vet nurses for their tremendous, caring and gifted work.

Policy, research, advocacy and information

While our primary purpose is to give shelter and find permanent loving and responsible homes for surrendered, abandoned, stray and injured cats, an important aspect of our work is to try to help people and their cats stay together, and to work on strategies to prevent or reduce feline homelessness.

Companion Animal Taskforce

The Companion Animals was established by the Minister for Local Government and the Minister for Primary Industries to provide advice on key companion animal issues and in particular, strategies to reduce the current rate of companion animal euthanasia. The Taskforce terms of reference were to inquire into:

- Euthanasia rates and rehoming options for surrendered or abandoned
- companion animals
- The breeding of companion animals including the practices of “puppy farms”
- The sale of companion animals
- The microchipping and desexing of companion animals
- Current education programs on responsible pet ownership
- Any other high priority companion animal issues that become apparent to the Taskforce.

The Taskforce is chaired by the Member for Charlestown, Mr Andrew Cornwell MP, a veterinarian, and consists of representatives of the following organisations, invited by the Ministers to participate:

- Australian Companion Animal Council
- Australian Institute of Local Government Rangers
- RSPCA NSW
- Animal Welfare League NSW
- Pet Industry Association Australia
- Dogs NSW
- Australian Veterinary Association
- Cat Protection Society
- Local Government and Shires Associations of NSW.

Representatives of the Division of Local Government, Department of Premier and Cabinet and the Department of Primary Industries also participate on the Taskforce and the Taskforce is supported administratively by the Division of Local Government.

Cat Protection is represented by CEO Kristina Vesk, who has attended all meetings of the Taskforce and has been a vocal advocate for welfare issues affecting cats, particularly desexing, education on socially responsible pet ownership and pet-friendly accommodation. The first meeting of the Taskforce took place in August 2011, and both Ministers addressed the Taskforce, emphasising the importance of the work to be done and demonstrating genuine concern for the welfare of cats and dogs. In May this year, a discussion paper was released for public comment. The Cat Protection Society held two meetings with members and interested people to go through the discussion paper and information was provided on our website and Facebook to encourage submissions. Submissions closed in July and were taken into consideration by the Taskforce in preparing its final report to Government.

Pet-friendly accommodation

The absence of pet-friendly accommodation in Sydney – in both strata and rental – continues to be a serious animal welfare problem, causing more pets to be surrendered and fewer shelter pets to be adopted. It is also a human welfare problem, as people are being denied the physical and mental health benefits of pet ownership. It is an important issue on which Cat Protection continues to campaign.

As well as useful resources on our website, we have provided assistance to individual clients, and some – with the aid of a pet resume showing their cat will be (and has been) a good tenant – have successfully convinced landlords to allow them to keep their cat. Sadly however, up to 20 per cent of cats surrendered to us arrive because their people could not find a pet-friendly home.

In early 2012 an online consultation was conducted by Open Forum to feed into the NSW Government's major review of strata and community title legislation. Cat Protection promoted this consultation on our website, Facebook and with media.

This was our submission to the consultation:

Research has demonstrated the benefits of pets to people - these benefits include:

- *lower levels of risk factors for cardiovascular disease; fewer doctor visits*
- *better psychological health including less depression*
- *a buffer against grief and stress*
- *positive association with social contact and perceptions of neighbourhood friendliness (social capital).*

Denying people the right to responsibly keep a pet is to deny them and the community access to these human health and social benefits.

At our shelter we see many well-cared for and loved cats whose owners are forced to relinquish them due to the unavailability of pet-friendly accommodation. The issue affects people who own their property as well as those who rent.

Children who grow up with pets have better communication skills and are more empathetic. For more than 10,000 years people have shared their lives with companion animals because they are an important part of our human health and wellbeing. It is sad to think of a future where most children grow up without the benefits of pets in their lives.

Banning pet ownership in strata precludes all the benefits that companion animals bring to their owners but it does not and cannot guarantee a clean and noise-free property. A person's right to the quiet enjoyment of their property might include owning a pet. As long as pets are not interfering with neighbours' capacity to the quiet enjoyment of their property, there should be no issue.

Cats are perfectly suited to apartment living if they are provided with appropriate environmental enrichment (toys, scratch posts, etc) and if they are well cared for, will not impinge on others.

The absence of pet-friendly accommodation is reflected in the numbers of homeless dogs and cats who are euthanased.

While the outcome of restricted pet-friendly accommodation is tragic for many cats and dogs, it is also devastating for many people. Take the example of one of our clients who took on the care of her late mother's 18 year old cat and was ordered to "get rid of it". The

cat was her last living connection with her mother. She had promised her mother she would care for the cat. The cat stayed completely indoors and slept pretty much the whole day. How did the cat interfere with anyone else's rights? And yet, consider the action of the strata corporation's interference with this apartment (& cat) owner's rights. At best it could be regarded as capricious, at worst, deliberately cruel and harmful.

Another client contacted us - he had a chronic illness which left him fatigued and unable to work. During the day while his family was at school and work he was lonely and longed for the company of a cat, but this simple request was denied. That denial was not just a denial for him to keep a cat; it was a denial for the man to enjoy better physical and psychological health.

There is a fundamental human rights issue here, noting of course that pet ownership comes with responsibilities: to the animal, to the community, and to the environment.

There are all sorts of ways people can offend their neighbours and most don't involve pets. Basic rules and dispute resolution procedures are vitally important in any communal living. A ban on pets does not and will not create harmony.

A starting point for getting on with each other is a basic respect for other people's rights - which include the right to socially responsible pet ownership.



*Kamko was a victim of pet-unfriendly accommodation.
She has now found a new home.*

Getting to Zero & working cooperatively

One of the important facets of the Getting to Zero (G2Z) approach to improving outcomes for animals in pounds and shelters is working cooperatively in your communities. As well as being represented on the Companion Animal Taskforce, Cat Protection is on the Willoughby Council Companion Animals Committee, and we continue to keep all State Members of Parliament informed of our work by sending them our magazine. We have met with our local MP, Member for Marrickville, Carmel Tebbutt, and the former Member for Sydney, Clover Moore, on animal welfare issues.

In the previous reporting period, Cat Protection worked with the Sydney Dogs and Cats Home to present the first G2Z seminar for NSW, at Parliament House in Sydney.

G2Z participants in Sydney are the Sydney Dogs and Cats Home and the Animal Welfare League, and we have worked constructively with both these organisations, as well as sharing information about our shelter management practices and procedures with organisations as far away as Perth, Geelong, Queensland and the Northern Territory. We've also worked with the volunteers from Blacktown Pound who have made great efforts to improve that facility and have successfully brought about significant changes for the better.

Our Feline Services Manager, Nerida Atkin, gave a presentation on our 'Operation Cat' program to the National G2Z Summit held in Queensland in September 2011. The CEO attended the Australian Companion Animal Council 'Think Tank' in Sydney in September 2011, which among other matters looked at pet-friendly housing and town planning. A *Pet Industry News* article on the Think Tank included quotes from Cat Protection calling for more education for cat owners and pet-friendly housing policies. We have a constructive relationship with PIAS (Petcare Information and Advisory Service) and applaud their research and work on pets, housing, planning and social wellbeing.

In June 2011, an important research article on feline coronavirus by Phillip McDonagh, Paul Sheehy and Jacqueline Norris of the University of Sydney was published in *Veterinary Microbiology*. We were delighted to be acknowledged in the publication for our donation towards the research. The Rex Cat Club runs a Feline Health Seminar each year (which we attend) and they also donated to the research.

We continue to support the University of Sydney vet school with our annual Feline Welfare Essay prize, which in the reporting period was awarded to Caitlin Fredenburg for her fascinating research on feline obesity. Caitlin has since joined our staff as a casual Feline Services Attendant and brings with her a great knowledge of shelter practice from the United States where she worked for the Humane Society and as a vet technician.

In May 2012, the CEO attended a forum in the ACT – a 'conversation on pets and aged care' hosted by ACT MP Mary Porter. We provided our community pets material to the organisers for their reference and are pleased that the ACT Government is considering this important issue.

The Feline Services Manager and CEO made a presentation based on our community pets program to the volunteer group Bow Meow in August 2011. The information seminar included the importance of pets to people, basics of dog and cat care and behaviour, contingency planning and pet care for people with memory loss.

We've been pleased to continue to provide support to the Exodus Foundation to help them care for their resident cats, and we've also provided donations of cat food to human welfare services for them to distribute to cat-owning clients facing financial hardship. We know that many people in difficult circumstances will go without themselves because their cat means so much to them. It is increasingly recognised by human services providers that it is important to try to help these people with pet care in times of crisis, as often those people's pets are indeed their 'best friends'.

Media, community information and advertising

Our major achievement in the reporting period was the launch of our new website – with the same web address but a totally new look, packed with information and built with a

'content management system' so we update the website ourselves. The new website also allows us to receive membership payments online, and provides an additional online donation facility (donors can also give online via Give Now and Everyday Hero). We've seen growth in our Facebook 'friends' and an increase in traffic to our website.

We increased our expenditure on advertising and promotions from \$17,002 in 2010-11 to \$20,758 in 2011-12. It is vital to let people know who we are and what we do in order to encourage the adoption of shelter cats, and to promote desexing and socially responsible cat ownership. The majority of the advertising we book is very kindly discounted for us.

Our print media advertising focuses on local and independent media and we have run a successful radio ad campaign on 2CH and 2GB and the radio network also ran ads for us as community service announcements. In the reporting period, our ads appeared in *City Voice*, *City News*, *City Hub*, *Inner West Courier*, the *Eastern Suburbs Spectator* group of papers, *Inner City Weekender*, *SX*, *LOTL*, *Inner West Independent* and the *Liverpool Leader*.

We have had 'cats of the week' featured in the *Eastern Suburbs Spectator* group of papers; the *Inner West Courier*, the *St George & Sutherland Shire Leader*, *City Voice* and *SX*.

Stories about our Op Shop appeared in *City Hub* (where we again won the 'Best Op Shop' award) and the *Inner West Courier*.

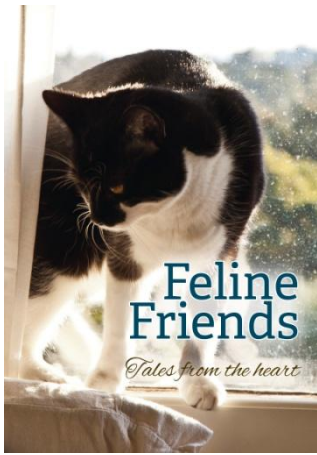
A variety of stories have been published in *SX* including on cats and strata, the Companion Animals Taskforce, how to know when your cat is unwell, and playing with your cat.

Cat Protection was mentioned in wide media coverage of the Companion Animals Taskforce, including in the *Sydney Morning Herald*, *the Age*, *MX*, *Pet Industry News*, a number of local papers including in rural and regional areas and media websites. A story in the *Southern Courier* featured a comment by Coogee MP Bruce Notley-Smith who encouraged people to visit places like Sydney Dogs and Cats Home and the Cat Protection Society. Some community radio interviews including for Southern Highlands and Ryde were done in the reporting period, focusing on key messages about responsible cat care.

Cat Protection comments were featured in a story on animal therapy for people with disabilities in *Link Disability* magazine; *Sydney Morning Herald* stories on cat curfews and cat-resistant gardens; a *Liverpool Leader* article on Operation Cat; an *Inner West Courier* story on desexing cats; and stories on pet-friendly accommodation in *LOTL*, Ruth Ostrow's blog, and even a US publication – *Great Smokey Mountains News*! We also were featured in a story in *petpages.com* about games to play with your cat.

Our members' magazine *Cat Affairs* is also used to promote Cat Protection and is distributed to vets, MPs, sector representatives and back copies are given away at fair days and expos to show people what we do. The beautiful Scratching Post section inspired a publisher to approach us with the idea for a book.

During the reporting period, Cat Protection collected and collated a wonderful anthology of stunning photographs and stories about cats. This raw manuscript was delivered to Exisle Publishing who then wove their professional magic over it and in November 2012, a beautiful hardcover book *Feline Friends – Tales from the heart* will be delivered to Australian and New Zealand bookstores.



As Cat Protection is the 'author' all royalties will come to us. We thank Exisle, all our contributors and our pro bono lawyer, Darren Kane of Colin W Love & Company for making this project possible. The book will not simply raise funds for Cat Protection's work, but it is valuable in that it explores and celebrates the unique bond between people and cats and demonstrates why cats matter, in themselves and in our lives.

We participated in regular events including the Newtown Festival, Cruelty-Free Festival, Holroyd Petfest, Liverpool Microchip Day, Willoughby Fauna Fair, Northcott People & Pets Day (where we provided free microchipping and desexing referrals), Sydney Pet

& Animal Expo, Retirement & Lifestyle Expo, and a presentation to a members meeting of the Associations Forum.

Our Open Day on Saturday 29 October 2011 was one of our most successful, with more than 100 visitors. The theme was cats and art, and our cats had created some beautiful paintings which were auctioned on the day. Dr Angela Phillips of Sydney Animal Hospitals Inner West was our auctioneer and helped to raise just over \$1,000 from our feline masterpieces. Goods for the showbags and raffle were donated by Two Cat Ladies, Masterpet and our major sponsors, Hills and Bayer.

Pet Barn and Moggy & Mutt have assisted us with promotion of adoptions and desexing, and we also thank Pet Barn at Alexandria for generously donating to us.

Revenue and expenditure

Sponsorship

We thank our generous sponsors for their great support. **Bayer Animal Health** provides all our cats with Advocate flea and worm treatment, and **Hill's Pet Nutrition** provides all our cats and kittens with Hill's Science Diet. These two major sponsors are incredibly important to us and we encourage our supporters to thank them by buying those products for their cats.

In the reporting period we welcomed a new sponsor, *PETS* magazine, which is a very exciting partnership and provides us with exposure to a whole new demographic of young people and families. We thank Universal Publishing for their support.

We also thank Danielle Lyonne of Animax Photography who has provided us with so many beautiful photographs. The fabulous team at Pets Palace (who do not sell pets, just pet products) and Marketing Mechanics generously designed and printed our discount desexing flyers and we hugely appreciate their support.

It would be impossible to achieve as much as we do without the ongoing support of our volunteers and pro bono service providers. Our volunteers are vital to cat care, foster care and fundraising via the Op Shop. Thank you all so much, and thank you to the following for their donated professional or other services: Darren Kane of Colin W Love & Company Lawyers; Karress Rhodes of KL Graphics; Lou from Stick Up Industries; Josh Vernon-Rogers; Kari Krall; Pat Baker; Lisa Collins; Sophia Hill; and Liz Pulo.

Income

In 2011-12 we gratefully received \$621,371 from bequests, about one third less than the previous year in which bequest income was \$964,975. Bequest income is not predictable, however, it is revenue on which we depend to fund our operating costs, and it is our largest single revenue stream. With all our hearts we thank those kind women and men who remember us in their wills and we honour their lives in our work caring for cats.

While we do have cash reserves, these are to deficit-fund basic operations in years when bequest income is insufficient. We are also trying to save to expand our services, but we cannot afford to do that until we have both capital and reserves sufficient to prudently and sustainably fund expansion.

Income from merchandise sales and adoption fees has grown a little from the previous year and represents close to \$400,000 income – it is getting close to being about one-third of our income and is an area of continued focus for sustainable revenue. We don't put huge mark-ups on our retail products because we believe every cat should have the benefit of premium cat care, so as our margins are relatively tight our focus is on turnover.

Thank you to all our generous donors (about 90 per cent of whom are members) – in this period we achieved a record of \$241,947 in donations. This met about 16 per cent of our operating expenses. For a sustainable future, we really need to grow donations; over time, ideally to at least a third of income. As members would be aware, we don't use pressure tactics to ask for donations, we don't engage cold-callers or street hawkers – we just politely ask for financial support and we don't spend a lot of money doing so (for example, a single page black and white donation form is included in our *Cat Affairs* magazine). The fact that we are not sending multi-page letters with photos and tear-off forms suggesting how much to donate does not mean we don't need money but it does mean we wish to be respectful in how we ask for it.

Our major fundraiser is our Op Shop. Staffed by volunteers generously giving their time, stocked with donated items from cat-supporting members and friends, sales grossed \$146,777 in 2012 (compared with \$132,677 in 2011) and after expenses (rent, repairs and maintenance, utilities, security and amenities) the Op Shop made a net profit of \$104,777 (up almost \$13,000 on the previous year).

Interest income grew slightly from \$72,775 in 2011 to \$77,209 in 2012. Although we had more money in term deposits, interest rates were lower than the previous year. Membership income is fairly stable at \$22,931 in 2012 compared with \$21,995 in the previous year. Membership fees pay for the cost of producing and posting *Cat Affairs* four times a year, AGM notice papers and the Christmas catalogue. Membership is important to us as it helps to give us a voice in our advocacy work. We aim to grow our membership and to be more successful at membership retention.

Desexing and microchipping income came down to \$28,899 in 2012 from \$35,408 in 2011 – although desexing numbers were much the same in each period, the reduced income is attributable to fewer of those desexings being done in partnership with councils (whose subsidies are represented in desexing income). In other words, we fully funded more desexings than in the previous year.

We received a grant of \$15,500 from the NSW Government Department of Primary Industries to assist us with our welfare work which includes our desexing programs. This amount is the same as in previous years.

Expenditure

As in previous years, our major expenses are staff and veterinary: with 1,000 cats a year in our care, and with cats on site 24/7, this is to be expected. Salaries grew from \$645,637 in 2011 to \$666,878 in 2012 which is three per cent growth.

Veterinary expenses in 2012 were \$188,223 compared with \$143,788 the previous year. Apart from general inflation, this increase is accounted for in the greater number of cats we took care of in the reporting period, and the number of complex health issues that had to be managed (as described earlier in the report, we had more than 50 'special needs' cats in the reporting period). We thank all our vets for generously discounting their services to us – our expenditure is significantly lower than it really costs. We particularly thank our most-frequently used vets, Concord Animal Hospital, Rooty Hill Vet Clinic and Sydney Animal Hospitals Inner West for their great support.

Expenditure on merchandise was \$191,985 however income from sales was \$251,775 creating a good net profit.

Repairs and maintenance cost \$44,114 against \$28,175 the previous year. This included major plumbing expenses relating to the fire safety system, fixing a roof leak and replacing flooring in our quarantine and isolation areas (necessary for infection control). As our renovations are now more than seven years old, there will be increasing demand on funds for routine and preventative maintenance.

Total cash expenses for the year ending 31 May 2012 were \$1,503,258 compared with \$1,425,754 in the previous year, an increase of only five per cent, in line with CPI. Our audited financial statements appear on the following pages.



"I'm pretty sure that's how you write thank you. I think they'll get it."

**THE CAT PROTECTION SOCIETY OF NSW INC
REG NO. INC 988 3271**

**FINANCIAL REPORT
FOR THE YEAR ENDED
31 MAY 2012**

**THE CAT PROTECTION SOCIETY OF NSW INC
REG NO. INC 988 3271**

CONTENTS

| | |
|---------------------------------------|----|
| Committee's Report | 1 |
| Auditor's Independence Declaration | 3 |
| Statement of Comprehensive Income | 4 |
| Balance Sheet | 5 |
| Statement of Changes in Equity | 6 |
| Cash Flow Statement | 7 |
| Notes to the Financial Statements | 8 |
| Statement by Members of the Committee | 19 |
| Auditor's Report | 20 |
| Auditor's Disclaimer | 22 |
| Detailed Profit and Loss Statement | 23 |

THE CAT PROTECTION SOCIETY OF NSW INC
REG NO. INC 988 3271

COMMITTEE'S REPORT

Your committee members submit the financial report of the The Cat Protection Society of NSW Inc for the financial year ended 31 May 2012.

Committee Members

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

Rhonda House
Nita Harvey
Dagmar Strohmaier
Angelika Elliott
Simon Stevenson
John Holland
Suzanne Jenkins - resigned 18 December 2011

Principal Activities

The principal activities of the 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 aforementioned cats and kittens.
- to educate the community about socially and environmentally responsible cat care, and to promote and improve cat welfare.

Significant Changes

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

Operating Result

The surplus after providing for amortisation and depreciation amounted to \$59,132.

Events Subsequent to the End of the Reporting Period

No 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 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.

**THE CAT PROTECTION SOCIETY OF NSW INC
REG NO. INC 988 3271**

COMMITTEE'S REPORT

Indemnification of Officers

During or since the end of the financial year, the association has given an indemnity, or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums as follows:

- the association has paid premiums totalling \$1,577.27 (ex GST) to insure each of the committee members against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of a committee member of the association, other than conduct involving a wilful breach of duty in relation to the association.

Proceedings on Behalf of the Association

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.

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

Committee Member: _____ (signed) _____
Rhonda House

Committee Member: _____ (signed) _____
Nita Harvey

Dated this ...25th..... day of August 2012.....

AUDITOR'S INDEPENDENCE DECLARATION
TO THE MEMBERS OF
THE CAT PROTECTION SOCIETY OF NSW INC

I declare, that to the best of my knowledge and belief, during the year ended 31 May 2012 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.

Name of Firm: Munro Spaul
Chartered Accountants

Name of Partner: ___(signed)_____
Bruce W. Spaul

Address: 1st Floor, 33 MacMahon Street HURSTVILLE NSW 2220

Dated this12th... day of September 2012.....

THE CAT PROTECTION SOCIETY OF NSW INC
REG NO. INC 988 3271

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MAY 2012

| | Note | 2012 \$ | 2011 \$ |
|--|----------|------------|------------|
| Revenue | | 1,614,540 | 1,912,761 |
| Other income | | 938 | 16,240 |
| | | 1,615,478 | 1,929,001 |
| Advertising expenses | | (20,758) | (17,002) |
| Auditor's remuneration | | (8,500) | (8,300) |
| Cattery expenses | | (50,062) | (58,786) |
| Depreciation and amortisation expenses | | (44,156) | (51,681) |
| Employee benefits expenses | | (784,312) | (726,478) |
| Merchandise | | (191,985) | (181,122) |
| Opportunity shop expenses | | (41,618) | (41,040) |
| Veterinary expenses | | (188,223) | (144,050) |
| Other expenses | | (226,732) | (199,955) |
| Surplus for the year | 2 | 59,132 | 500,587 |
| Other comprehensive income: | | | |
| Net gain on revaluation of land and buildings | | - | 78,850 |
| Other comprehensive income for year, net of tax | | - | 78,850 |
| Total comprehensive income for the year | | 59,132 | 579,437 |

The accompanying notes form part of these financial statements.

THE CAT PROTECTION SOCIETY OF NSW INC
REG NO. INC 988 3271

BALANCE SHEET
AS AT 31 MAY 2012

| | Note | 2012 \$ | 2011 \$ |
|---------------------------------------|------|------------------|------------------|
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 3 | 2,427,838 | 1,892,794 |
| Accounts receivable and other debtors | 4 | 15,526 | 15,476 |
| Inventories | 5 | 28,901 | 25,515 |
| Other current assets | 6 | 17,467 | 23,465 |
| TOTAL CURRENT ASSETS | | <u>2,489,732</u> | <u>1,957,250</u> |
| NON-CURRENT ASSETS | | | |
| Financial assets | 7 | 16,645 | 427,746 |
| Property, plant and equipment | 8 | 1,630,397 | 1,672,731 |
| Investment property | | 26,782 | 26,782 |
| Intangible assets | 9 | 7,809 | - |
| TOTAL NON-CURRENT ASSETS | | <u>1,681,633</u> | <u>2,127,259</u> |
| TOTAL ASSETS | | <u>4,171,365</u> | <u>4,084,509</u> |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Accounts payable and other payables | 10 | 112,661 | 96,895 |
| TOTAL CURRENT LIABILITIES | | <u>112,661</u> | <u>96,895</u> |
| NON-CURRENT LIABILITIES | | | |
| Provisions | 11 | 28,601 | 16,643 |
| TOTAL NON-CURRENT LIABILITIES | | <u>28,601</u> | <u>16,643</u> |
| TOTAL LIABILITIES | | <u>141,262</u> | <u>113,538</u> |
| NET ASSETS | | <u>4,030,103</u> | <u>3,970,971</u> |
| EQUITY | | | |
| Reserves | | 949,986 | 949,986 |
| Retained surplus | 12 | 3,080,117 | 3,020,985 |
| TOTAL EQUITY | | <u>4,030,103</u> | <u>3,970,971</u> |

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 2012

| | Note | Asset Revaluation Reserve \$ | Retained earnings \$ | Total \$ |
|---------------------------------|------|---------------------------------------|----------------------------|------------------|
| Balance at 1 June 2010 | | 871,136 | 2,520,398 | 2,520,398 |
| Other comprehensive income | | 78,850 | - | 78,850 |
| Surplus attributable to members | | - | 500,587 | 500,587 |
| Balance at 31 May 2011 | | <u>949,986</u> | <u>3,020,985</u> | <u>3,970,971</u> |
| Other comprehensive income | | - | - | - |
| Surplus attributable to members | | - | 59,132 | 59,132 |
| Balance at 31 May 2012 | | <u>949,986</u> | <u>3,080,117</u> | <u>4,030,103</u> |

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 2012

| | | 2012 \$ | 2011 \$ |
|--|-----------|------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts from customers | | 669,703 | 637,816 |
| Payments to suppliers and employees | | (1,472,923) | (1,361,931) |
| Interest received | | 77,209 | 72,775 |
| Donations and bequests received | | 863,319 | 1,200,868 |
| Net cash provided by operating activities | 14 | <u>137,308</u> | <u>549,528</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of investments | | 412,040 | - |
| Payments for property, plant and equipment | | (8,224) | (82,319) |
| Payments for other non current assets | | (6,080) | - |
| Net cash provided by (used in) investing activities | | <u>397,736</u> | <u>(82,319)</u> |
| Net increase in cash held | | 535,044 | 467,209 |
| Cash at beginning of financial year | | 1,892,794 | 1,425,585 |
| Cash at end of financial year | 3 | <u>2,427,838</u> | <u>1,892,794</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 2012

1 Statement of Significant Accounting Policies

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

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

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

Inventories

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

Property, Plant and Equipment

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

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 accumulated 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.

THE CAT PROTECTION SOCIETY OF NSW INC
REG NO. INC 988 3271

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

Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation

The depreciation method and useful life used for items of property, plant and equipment (excluding freehold land) reflects the pattern in which their future economic benefits are expected to be consumed by the association. Depreciation commences from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. The depreciation method and useful life of assets is reviewed annually to ensure they are still appropriate.

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

| <u>Class of Fixed Asset</u> | <u>Depreciation Rate</u> |
|-----------------------------|--------------------------|
| Buildings | 2.5% PC |
| Plant and Equipment | 10 - 20% PC |
| Motor Vehicles | 22.5 - 25% DV |
| Office Equipment | 10 - 40% PC |

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

Financial Instruments

Initial Recognition and Measurement

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.

THE CAT PROTECTION SOCIETY OF NSW INC
REG NO. INC 988 3271

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

Impairment of Assets

At the end of each reporting period, the association assesses whether there is any indication that an asset may be impaired. The assessment will consider both external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of that asset, being the higher of the asset's fair value less costs to sell and its value-in-use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is immediately recognised in profit or loss.

Intangibles

Other intangibles

Website development is recorded at cost. It is carried at cost less accumulated amortisation and any impairment losses.

Accounts Receivable and Other Receivables

Accounts receivable are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

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 have been measured at the amounts expected to be paid when the liability is settled.

Contributions are made by the entity to an employee superannuation fund are charged as expenses when incurred.

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 recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

THE CAT PROTECTION SOCIETY OF NSW INC
REG NO. INC 988 3271

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

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

Revenue and Other Income

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

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Donations and bequests are recognised as revenue when received.

Grant income is recognised when the entity 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).

Accounts Payable and Other Payables

Accounts payable and other payables represent the liabilities at the end of the reporting period for goods and services received by the association that remain unpaid.

Accounts payable are recognised at their transaction price. Accounts payable are obligations on the basis of normal credit terms.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

THE CAT PROTECTION SOCIETY OF NSW INC
REG NO. INC 988 3271

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

Comparative Figures

Where required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

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.

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*.

Critical Accounting Estimates and Judgments

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

THE CAT PROTECTION SOCIETY OF NSW INC
REG NO. INC 988 3271

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

| | 2012 \$ | 2011 \$ |
|---|------------------|------------------|
| 2 Surplus for the year | | |
| Surplus for the year from continuing operations includes the following specific expenses: | | |
| Expenses | | |
| Employee benefits expense: | | |
| contributions to defined contribution superannuation funds | 58,751 | 57,113 |
| Depreciation of property, plant and equipment | 44,156 | 51,681 |
| Auditors Remuneration - Fees | 8,500 | 8,300 |
| Revenue and Other Income | | |
| Legacies | 621,371 | 964,976 |
| 3 Cash and Cash Equivalents | | |
| Cash in Hand | 350 | 350 |
| Cash at Bank | 1,094,346 | 1,105,901 |
| Interest Bearing Deposits | 1,333,142 | 786,543 |
| | <u>2,427,838</u> | <u>1,892,794</u> |
| Reconciliation of cash | | |
| Cash at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows: | | |
| Cash and cash equivalents | <u>2,427,838</u> | <u>1,892,794</u> |
| | <u>2,427,838</u> | <u>1,892,794</u> |
| 4 Accounts Receivable and Other Debtors | | |
| Current | | |
| Trade Debtors | 3,310 | - |
| GST on Acquisitions | 9,359 | 8,359 |
| Deposits on Hand | 2,857 | 7,117 |
| | <u>15,526</u> | <u>15,476</u> |
| 5 Inventories | | |
| Current | | |
| Stock on Hand - at Cost | <u>28,901</u> | <u>25,516</u> |

THE CAT PROTECTION SOCIETY OF NSW INC
REG NO. INC 988 3271

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

| | 2012 \$ | 2011 \$ |
|--|------------|------------|
| 6 Other Current Assets | | |
| Current | | |
| Prepayments | 17,467 | 23,465 |
| 7 Financial Assets | | |
| Non-Current | | |
| ANZ Private Portfolio | 16,645 | 427,746 |
| 8 Property, Plant and Equipment | | |
| Land and Buildings | | |
| Land - at fair value | 665,000 | 665,000 |
| Buildings - at fair value | 862,875 | 885,000 |
| Total Land and Buildings | 1,527,875 | 1,550,000 |
| Plant & Equipment - at Cost | 105,922 | 142,513 |
| Less Prov'n for Depreciation | (37,048) | (57,870) |
| | 68,874 | 84,643 |
| Motor Vehicles - at Cost | 66,144 | 66,145 |
| Less Prov'n for Depreciation | (57,557) | (54,764) |
| | 8,587 | 11,381 |
| Office Equipment - at Cost | 56,066 | 67,028 |
| Less Prov'n for Depreciation | (31,005) | (40,321) |
| | 25,061 | 26,707 |
| Total Plant and Equipment | 102,522 | 122,731 |
| Total Property, Plant and Equipment | 1,630,397 | 1,672,731 |

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 committee has determined that there is to be no valuation adjustment for 2012. Following research and evaluation, it was determined that, given market conditions during the 2012 year and at balance date, there would have been no material movement in the value of land and buildings. Therefore, no adjustment is made to the fair value of land and buildings this year.

THE CAT PROTECTION SOCIETY OF NSW INC
REG NO. INC 988 3271

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

| | 2012 \$ | 2011 \$ | | | |
|---|--------------------------------------|------------------------------|----------------------|---------------------------|------------------|
| Movements in Carrying Amounts | | | | | |
| Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year. | | | | | |
| | Freehold Land and Buildings \$ | Plant and Equipment \$ | Motor Vehicles \$ | Office Equipment \$ | Total \$ |
| Balance at 1 June 2010 | 1,500,000 | 16,989 | 15,085 | 33,827 | 1,565,901 |
| Additions | - | 81,501 | - | 818 | 82,319 |
| Disposals | - | (2,659) | - | - | (2,659) |
| Revaluation increments/(decrements) | 78,850 | - | - | - | 78,850 |
| Depreciation expense | <u>(28,850)</u> | <u>(11,188)</u> | <u>(3,705)</u> | <u>(7,938)</u> | <u>(51,680)</u> |
| Balance at 31 May 2011 | <u>1,550,000</u> | <u>84,644</u> | <u>11,380</u> | <u>26,707</u> | <u>1,672,731</u> |
| Additions | - | 2,500 | - | 5,723 | 8,223 |
| Disposals | - | (8,932) | - | - | (8,932) |
| Depreciation expense | <u>(22,125)</u> | <u>(9,337)</u> | <u>(2,793)</u> | <u>(7,369)</u> | <u>(41,625)</u> |
| Carrying amount at 31 May 2012 | 1,527,875 | 68,874 | 8,587 | 25,061 | 1,630,397 |

9 Intangible Assets

| | | |
|---------------------------|--------------|----------|
| Website Development Costs | 10,340 | - |
| Less Written Off | (2,531) | - |
| | 7,809 | - |
| Total | 7,809 | - |

10 Accounts Payable and Other Payables

Current

| | | |
|----------------------------|---------|--------|
| Trade Creditors | 54,993 | 39,877 |
| Other Creditors | 9,075 | 9,075 |
| Accrued Expenses | 19,420 | 19,059 |
| GST on Supplies | 2,227 | 2,221 |
| Provision for Annual Leave | 26,946 | 26,663 |
| | 112,661 | 96,895 |

THE CAT PROTECTION SOCIETY OF NSW INC
REG NO. INC 988 3271

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

| | 2012 \$ | 2011 \$ |
|--|------------|------------|
| 11 Provisions | | |
| Non-Current | | |
| Provision for Long Service Leave | 28,601 | 16,643 |
| 12 Retained Surplus | | |
| Retained surplus at the beginning of the financial year | 3,020,985 | 2,520,398 |
| Net surplus attributable to the association | 59,132 | 500,587 |
| Retained surplus at the end of the financial year | 3,080,117 | 3,020,985 |
| 13 Capital and Leasing Commitments | | |
| Operating Lease Commitments | | |
| Non-cancellable operating leases contracted for but not capitalised in the financial statements: | | |
| Payable - minimum lease payments | | |
| Not later than 12 months | (33,800) | (33,800) |
| Between 12 months and five years | (18,257) | (52,057) |
| | (52,057) | (85,857) |
| 14 Cash Flow Information | | |
| Reconciliation of Cash Flow from Operations with Surplus for the year | | |
| Surplus for the year | 59,132 | 500,587 |
| Non-cash flows in surplus | | |
| Depreciation | 41,625 | 51,680 |
| Net loss/(gain) on disposal of property, plant and equipment | 8,932 | 2,659 |
| Unrealised gains/(losses) on investments | (939) | (16,239) |
| Amortisation | 2,531 | - |

THE CAT PROTECTION SOCIETY OF NSW INC
REG NO. INC 988 3271

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

| | 2012 \$ | 2011 \$ |
|--|------------|------------|
| Changes in assets and liabilities, net of the effects of purchase and disposals of subsidiaries | | |
| (Increase)/decrease in accounts receivable and other debtors | (50) | (1,302) |
| (Increase)/decrease in inventories | (3,385) | (11,088) |
| (Increase)/decrease in other current assets | 5,998 | (7,023) |
| (Increase)/decrease in intangible assets | (4,260) | - |
| Increase/(decrease) in accounts payable and other payables | 15,766 | 13,611 |
| Increase/(decrease) in provisions | 11,957 | 16,643 |
| | 137,308 | 549,528 |

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 Surplus

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 2012

| | 2012 \$ | 2011 \$ |
|--|----------------|----------------|
| <hr/> | | |
| 18 Fundraising Activities | | |
| The total gross income from fundraising appeals and the Opportunity Shop was in excess of \$100,000 during the financial year. Details showing how the funds were received and applied are as follows: | | |
| Income | | |
| Opportunity shop sales | 146,777 | 132,677 |
| Fundraising | - | 676 |
| Total fundraising income | <u>146,777</u> | <u>133,353</u> |
| Expenses | | |
| Opportunity Shop – Amenities | 563 | 62 |
| Opportunity Shop – Electricity | 862 | 938 |
| Opportunity Shop – Rent | 33,800 | 32,164 |
| Opportunity Shop – Repairs & Maintenance/Relocation | 5,243 | 7,122 |
| Opportunity Shop – Telephone | 994 | 578 |
| Opportunity Shop – Water | 156 | 175 |
| Fundraising Expenses | 382 | 518 |
| Total fundraising expenses | <u>42,000</u> | <u>41,557</u> |
| Total Surplus from Fundraising Activities | <u>104,777</u> | <u>91,796</u> |

19 Association Details

The registered office and principal place of business for the association 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 BY MEMBERS OF THE COMMITTEE

The committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the committee the financial statements as set out on pages 1 to 18:

1. Present a true and fair view of the financial position of The Cat Protection Society of NSW Inc as at 31 May 2012 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that 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 Inc with respect to fundraising appeals; and
- b. The balance sheet give a true and fair view of the state of 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 entity 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 ...25th..... day of ...August 2012.....

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE CAT PROTECTION SOCIETY OF NSW INC
REG NO. INC 988 3271**

Report on the Financial Report

I 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 2012, and the statement of comprehensive income, statement of changes in equity and cash flow statement, a summary of significant accounting policies, other explanatory information and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The committee of The Cat Protection Society of NSW Inc is responsible for the preparation of the financial report, and has determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the Associations Incorporation Act (NSW) 2009 and is appropriate to meet the needs of the members. The committee's responsibility also includes such internal control as the committee determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my 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. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE CAT PROTECTION SOCIETY OF NSW INC
REG NO. INC 988 3271**

Auditor's Opinion

In my opinion, the financial report of The Cat Protection Society of NSW Inc presents fairly, in all material respects the financial position of The Cat Protection Society of NSW Inc as of 31 May 2012 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements, and the Associations Incorporation Act (NSW) 2009.

Basis of Accounting and Restriction on Distribution

Without modifying my opinion, I draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared to assist the association to meet the requirements of the Associations Incorporation Act (NSW) 2009. As a result, the financial report may not be suitable for another purpose.

Report on Other Legal and Regulatory Requirements

I 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 records have been properly kept during the year in accordance with the Charitable Fundraising Act 1991 and the regulations under that Act;
- 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 under that Act;
- d. At the date of this report, there are reasonable grounds to believe that the association will be able to pay its debts as and when they fall due.

Name of Firm: Munro Spaul
Chartered Accountants

Name of Principal: _____(signed)_____
Bruce W. Spaul

Address: 1st Floor, 33 MacMahon Street HURSTVILLE NSW 2220

Dated this ...12th..... day of ...September 2012.....

**THE CAT PROTECTION SOCIETY OF NSW INC
REG NO. INC 988 3271**

AUDITOR'S DISCLAIMER

The additional financial data presented on pages 23-25 is in accordance with the books and records of The Cat Protection Society of NSW Inc ('our client') which have been subjected to the auditing procedures applied in our audit of the association for the year ended 31 May 2012. It will be appreciated that our audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and no warranty of accuracy or reliability is given. Neither the firm nor any member or employee of our firm undertakes any responsibility or accepts any liability in any way whatsoever to any person (other than to our client) in respect of such data, including any errors or omissions therein however caused.

Name of Firm: Munro Spaul
Chartered Accountants

Name of Principal: _____(signed)_____
Bruce W. Spaul

Address: 1st Floor, 33 MacMahon Street HURSTVILLE NSW 2220

Dated this12th... day ofSeptember 2012.....

**THE CAT PROTECTION SOCIETY OF NSW INC
REG NO. INC 988 3271**

**PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 MAY 2012**

| | 2012 \$ |
|---------------------------|--------------------|
| <hr/> | |
| INCOME | |
| Donations | 241,947 |
| Government Grants | 15,500 |
| Insurance Recoveries | 48,297 |
| Interest Received | 77,209 |
| Legacies | 621,371 |
| Desexing & Microchipping | 28,899 |
| Rebates Received | 2,633 |
| Sales - Cat Adoption Fees | 144,607 |
| Sales - Merchandise | 251,775 |
| Sales - Opportunity Shop | 146,776 |
| Subscriptions | 22,931 |
| Other Income | 12,595 |
| | <hr/> |
| | 1,614,540 |
| | <hr/> |

THE CAT PROTECTION SOCIETY OF NSW INC
REG NO. INC 988 3271

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 MAY 2012

| | 2012 \$ |
|--------------------------------------|------------|
| EXPENSES | |
| Advertising & Promotion | 20,758 |
| Auditors Remuneration - Fees | 8,500 |
| Bank Charges | 5,653 |
| Bookkeeping | 21,651 |
| Cattery Expenses | 50,062 |
| Cleaning & Waste Disposal | 19,210 |
| Community Information | 595 |
| Electricity & Gas | 8,366 |
| Freight & Cartage | 570 |
| Fundraising Expenses | 382 |
| Insurance | 21,346 |
| Merchandise | 191,985 |
| Microchips | 7,406 |
| Motor Vehicle Expenses | 11,772 |
| Office Expenses | 19,079 |
| Opportunity Shop Expenses | 39,351 |
| Permits, Licences & Fees | 4,091 |
| Postage | 10,006 |
| Printing & Stationery | 28,917 |
| Prov'n for Annual Leave | 41,156 |
| Prov'n for Long Service Leave | 11,957 |
| Rates & Taxes | 2,301 |
| Repairs & Maintenance | 44,114 |
| Salaries | 666,878 |
| Staff Amenities | 3,626 |
| Staff Training | 5,570 |
| Superannuation | 58,751 |
| Telephone, Fax & Internet | 5,347 |
| Travelling Expenses | 2,490 |
| Volunteer Expenses | 3,145 |
| Veterinary Expenses | 188,223 |
| | 1,503,258 |
| Surplus before non-cash items | 111,282 |

**THE CAT PROTECTION SOCIETY OF NSW INC
REG NO. INC 988 3271**

**PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 MAY 2012**

| | 2012 \$ |
|--------------------------------|--------------------|
| <hr/> | |
| NON-CASH INCOME | |
| Revaluation Non Current Assets | 938 |
| NON-CASH EXPENSES | |
| Amortisation - Intangibles | 2,531 |
| Depreciation | 41,625 |
| Loss on Sale of Fixed Assets | 8,932 |
| | <hr/> 53,088 |
| Surplus for the year | <hr/> 59,132 <hr/> |