

Animal Welfare League NSW

ACN 000 533 086

Annual Report - 30 June 2024

Animal Welfare League NSW

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30 June 2024

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General information

The financial statements cover Animal Welfare League NSW as an individual entity. The financial statements are presented in Australian dollars, which is Animal Welfare League NSW's functional and presentation currency.

Animal Welfare League NSW is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Kemps Creek NSW 2178

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 28 October 2024. The directors have the power to amend and reissue the financial statements.

Animal Welfare League NSW

Directors' report

30 June 2024

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2024.

Directors

The names of the directors in office during the year and at the date of this report and their attendances at full board and other meetings held during the year were as follows:

Helen Swarbrick
Mimi Curran
Marg Steel
Glyn Boobyer
Karen Robinson
Tina Pacey
Colleen Ringe
Donna Ashelford (resigned on 18 March 2024)
Linda Geddes

Objects of the company

The Company's objects are to pursue the following charitable purposes:

- (a) to promote the welfare of Companion Animals and support the humane treatment of all animals;
- (b) to make provision for neglected, abandoned and unwanted Companion Animals;
- (c) to educate the public in the care, handling and training of Companion Animals;
- (d) to endeavour to prevent cruelty to, and neglect of, animals;
- (e) to relieve distress and aid injured and sick animals;
- (f) to promote sterilisation of Companion Animals ;
- (g) to encourage the use of veterinary services; to employ Inspectors to exercise law enforcement powers under the POCTAA;
- (h) to take or cause to be taken any legal action in relation to the exercise of the powers or functions of an Inspector under the POCTAA;
- (i) to make public by any appropriate means the objects of the Company;
- (j) to raise and administer funding to enable the Company to achieve its objectives;
- (k) to encourage the making of gifts and testamentary dispositions to the Company to enable the Company to achieve its objects;
- (l) to make charitable donations which are aligned to the objects of the Company; and
- (m) to do all such other acts as are incidental or conducive to the attainment of the above objects.

Trading results

The net surplus of the company for the year was \$1,169,948 (2023: deficit of \$363,772).

Directors' Remuneration

No director of the company has, since the end of the previous financial year, received or become entitled to receive a benefit by reason of a contract made by the director or with a company in which they have a substantial financial interest, except as detailed in note 18 – Related party transactions.

**Animal Welfare League NSW
Directors' report
30 June 2024**

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Karen Robinson



Linda Geddes

28 October 2024

ANIMAL WELFARE LEAGUE NSW
ABN 88 000 533 086

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
ANIMAL WELFARE LEAGUE NSW**

In accordance with Section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Animal Welfare League NSW. As the lead audit partner for the audit of the financial report of Animal Welfare League NSW for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

HALL CHADWICK
Level 40, 2 Park Street
Sydney NSW 2000



MARTIN SABANOS
Director
Date: 28 October 2024

Animal Welfare League NSW
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Revenue	2	11,837,403	8,974,833
Other income	3	1,530,505	911,093
Gain on investment		163,642	92,720
Cost of goods sold		(380,562)	(340,977)
Expenses			
Employee benefits expense		(7,264,968)	(6,115,249)
Depreciation and amortisation expense		(585,241)	(505,142)
Computer expenses		(136,347)	(96,519)
Insurance		(131,943)	(120,674)
Internal expenses		-	(4,200)
Marketing & advertising		(217,685)	(90,581)
Audit, legal & consultancy		(220,493)	(191,498)
Utilities		(159,674)	(142,338)
Merchandise		(65,852)	(17,501)
Other expenses		(570,218)	(561,784)
Trade waste		(58,033)	(53,075)
Motor vehicle expense		(286,171)	(235,702)
Repair & maintenance		(104,727)	(99,795)
Food & boarding for sheltered		(238,515)	(288,693)
Travel & accommodation		(82,584)	(27,638)
Equipment hire		(10,053)	(10,060)
Consumables		(244,807)	(168,487)
Vet fee expense		(1,603,729)	(1,272,505)
Total expenses		<u>(11,981,040)</u>	<u>(10,001,441)</u>
Surplus/(deficit) before income tax expense		1,169,948	(363,772)
Income tax expense		-	-
Surplus/(deficit) after income tax expense for the year attributable to the members of Animal Welfare League NSW	15	1,169,948	(363,772)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the members of Animal Welfare League NSW		<u><u>1,169,948</u></u>	<u><u>(363,772)</u></u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Animal Welfare League NSW
Statement of financial position
As at 30 June 2024

	Note	2024 \$	2023 \$
Assets			
Current assets			
Cash and cash equivalents	4	3,652,331	12,071,835
Trade and other receivables	5	143,485	50,357
Inventories	6	263,602	208,337
Financial assets	7	7,500,000	-
Other	8	191,128	109,621
Total current assets		<u>11,750,546</u>	<u>12,440,150</u>
Non-current assets			
Investments	9	10,558,736	11,645,391
Property, plant and equipment	10	11,586,587	11,007,578
Right-of-use assets	17	273,265	-
Intangibles	11	59,645	41,807
Total non-current assets		<u>22,478,233</u>	<u>22,694,776</u>
Total assets		<u>34,228,779</u>	<u>35,134,926</u>
Liabilities			
Current liabilities			
Trade and other payables	12	463,367	442,547
Contract liabilities	13	5,192,316	7,640,728
Lease liabilities	17	86,020	-
Provisions	16	511,201	445,344
Total current liabilities		<u>6,252,904</u>	<u>8,528,619</u>
Non-current liabilities			
Lease liabilities	17	101,374	-
Provisions	16	139,660	41,414
Total non-current liabilities		<u>241,034</u>	<u>41,414</u>
Total liabilities		<u>6,493,938</u>	<u>8,570,033</u>
Net assets		<u>27,734,841</u>	<u>26,564,893</u>
Equity			
Reserves	14	6,690,544	6,690,544
Retained surpluses	15	21,044,297	19,874,349
Total equity		<u>27,734,841</u>	<u>26,564,893</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Animal Welfare League NSW
Statement of changes in equity
For the year ended 30 June 2024

	Issued capital \$	Reserves \$	Retained profits \$	Total equity \$
Balance at 1 July 2022	-	6,690,544	20,238,121	26,928,665
Deficit after income tax expense for the year	-	-	(363,772)	(363,772)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive deficit for the year	-	-	(363,772)	(363,772)
Balance at 30 June 2023	-	6,690,544	19,874,349	26,564,893

	Issued capital \$	Reserves \$	Retained profits \$	Total equity \$
Balance at 1 July 2023	-	6,690,544	19,874,349	26,564,893
Surplus after income tax expense for the year	-	-	1,169,948	1,169,948
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	1,169,948	1,169,948
Balance at 30 June 2024	-	6,690,544	21,044,297	27,734,841

The above statement of changes in equity should be read in conjunction with the accompanying notes

Animal Welfare League NSW
Statement of cash flows
For the year ended 30 June 2024

	Note	2024	2023
		\$	\$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		3,572,029	3,255,910
Grants received		99,017	7,987,619
Receipts from donations and bequests		6,685,934	5,692,945
Payment to suppliers and employees		(12,378,140)	(9,863,296)
Interest paid		(7,120)	(8,524)
		<u> </u>	<u> </u>
Net cash (used in)/from operating activities	21	<u>(2,028,280)</u>	<u>7,064,654</u>
Cash flows from investing activities			
Proceeds from disposal of property, plant and equipment		61,454	-
Payment for property, plant and equipment	10	(1,077,070)	(187,645)
Payment for intangible assets	11	(51,616)	(5,500)
Net (payments for) / proceeds from disposal of term deposits		(6,282,500)	2,517,846
Dividends received		95,330	89,178
Interest received		903,826	543,122
		<u> </u>	<u> </u>
Net cash (used in)/from investing activities		<u>(6,350,576)</u>	<u>2,957,001</u>
Cash flows from financing activities			
Payment of lease liabilities		(40,648)	(42,279)
		<u> </u>	<u> </u>
Net cash used in financing activities		<u>(40,648)</u>	<u>(42,279)</u>
Net (decrease)/increase in cash and cash equivalents		(8,419,504)	9,979,376
Cash and cash equivalents at the beginning of the financial year		<u>12,071,835</u>	<u>2,092,459</u>
		<u> </u>	<u> </u>
Cash and cash equivalents at the end of the financial year	4	<u><u>3,652,331</u></u>	<u><u>12,071,835</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Animal Welfare League NSW
Notes to the financial statements
30 June 2024

Note 1. Material accounting policy information

The accounting policies that are material to the company are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB'), the Australian Charities and Not-for-profits Commission Act 2012 and New South Wales legislation the Charitable Fundraising Act 1991 and associated regulations and the Corporations Act 2001, as appropriate for not-for profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in .

Animal Welfare League NSW
Notes to the financial statements
30 June 2024

Note 1. Material accounting policy information (continued)

Revenue recognition

Donations and bequests are recognised as revenue when received.

Animal Welfare League NSW receives reciprocal and non-reciprocal contributions of assets from the government and other parties for no or nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

If conditions are attached to the grant which must be satisfied before the entity is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

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

Interest revenue is recognised using the effective interest 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.

Revenue from sale of goods is recognised to the extent control of goods has passed to the buyer.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customer.

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

Fair Value of Assets and Liabilities

The company measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the company would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

Property, Plant and Equipment

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

Animal Welfare League NSW
Notes to the financial statements
30 June 2024

Note 1. Material accounting policy information (continued)

Freehold Property:

Freehold land and buildings are shown at their fair value 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 recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

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

Freehold land and buildings that have been contributed at no cost or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

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. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(g) for details of impairment).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

Plant and equipment that have been contributed at no cost or for nominal cost are recognised at the fair value of the asset at the date it is acquired.

Depreciation:

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is available for use:

Depreciation is calculated on a straight-line basis over the estimated useful life of the specific assets as follows:

<i>Class of Fixed Asset</i>	<i>Estimated Useful Life</i>
Buildings	20 to 30 years
Plant and equipment	5 years

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

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

Animal Welfare League NSW
Notes to the financial statements
30 June 2024

Note 1. Material accounting policy information (continued)

Right-of-use Assets

As the company is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Financial Instruments

Initial recognition and measurement:

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are recognised as expenses in profit or loss immediately.

Classification and subsequent measurement

Financial liabilities

Financial liabilities are subsequently measured at:

- amortised cost; or
- fair value through profit and loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3: Business Combinations applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense to profit or loss over the relevant period.

Financial assets

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss.

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

Note 1. Material accounting policy information (continued)

The Company initially designates a financial instrument as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as an “accounting mismatch”) that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance with the documented risk management or investment strategy and information about the groupings is documented appropriately, so the performance of the financial liability that is part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial measurement of financial instruments at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Impairment:

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of the occurrence of one or more events (a “loss event”), which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified into profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors, or a group of debtors, are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter into bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition:

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability, which is extinguished or transferred to another party, and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Note 1. Material accounting policy information (continued)

Impairment of Assets

At the end of each reporting period, the entity reviews the carrying amounts 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 of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

Employee Provisions

Short-term employee provisions:

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

Other long-term employee provisions:

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees.

The company's obligations for long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current employee provisions.

Cash on Hand

Cash on hand includes 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.

Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. 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.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

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 Taxation 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 statement of financial position.

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.

Animal Welfare League NSW
Notes to the financial statements
30 June 2024

Note 1. Material accounting policy information (continued)

Income Tax

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

Intangible Assets

Software:

Software is recorded at cost. It has a finite life and is carried at cost less accumulated amortisation and any impairment losses. Software has an estimated useful life of between one and three years. It is assessed annually for impairment.

Provisions

Provisions are recognised when the entity 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.

Comparative Figures

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

When the company retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period, in addition to the minimum comparative financial statements, must be disclosed.

Accounts Payable and Other Payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Lease Liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Contract liabilities

Contract liabilities are comprised of unexpended grants.

Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements 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 company.

Key Estimates

Impairment:

The freehold land and buildings were independently valued at 30 June 2018 by Animal Welfare League NSW. The valuation was based on the fair value less costs of disposal. The critical assumptions adopted in determining the valuation included the location of the land and buildings, the current strong demand for land and buildings in the area and recent sales data for similar properties.

Animal Welfare League NSW
Notes to the financial statements
30 June 2024

Note 1. Material accounting policy information (continued)

Key Judgements

Employee benefits:

For the purpose of measurement, AASB 119: *Employee Benefits* defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. The company expects most employees will take their annual leave entitlements within 24 months of the reporting period in which they were earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements.

Lease make good provision

A provision has been made for the present value of anticipated costs for future restoration of leased premises. The provision includes future cost estimates associated with closure of the premises. The calculation of this provision requires assumptions such as application of closure dates and cost estimates. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the statement of financial position by adjusting the asset and the provision. Reductions in the provision that exceed the carrying amount of the asset will be recognised in profit or loss.

Economic Dependence

Animal Welfare League NSW is dependent on bequests and fundraising revenue to continue in future years for it to remain in business.

Note 2. Revenue

	2024	2023
	\$	\$
Fundraising	1,270,091	1,229,810
Grants	1,997,429	346,890
Veterinary fees	506,423	462,054
Animal placement	1,001,776	958,096
Membership	25,402	25,734
Bequests	6,327,041	5,315,534
Boardings	-	1,605
Donations	358,894	377,411
Merchandise	62,780	25,449
Op-Shops	287,567	232,250
	<u>11,837,403</u>	<u>8,974,833</u>

Note 3. Other income

	2024	2023
	\$	\$
Net gain on disposal of property, plant and equipment	53,028	-
Dividends received	95,330	89,178
Interest earned	903,826	543,122
Other income	478,321	278,793
	<u>1,530,505</u>	<u>911,093</u>

Animal Welfare League NSW
Notes to the financial statements
30 June 2024

Note 4. Current assets - cash and cash equivalents

	2024	2023
	\$	\$
Cash at bank	3,501,796	8,445,845
Term deposits (maturity less than 3 months)	150,535	3,625,990
	<u>3,652,331</u>	<u>12,071,835</u>

Note 5. Current assets - trade and other receivables

	2024	2023
	\$	\$
Trade receivables	144,965	52,454
Less: provision for bad debts	(1,480)	(2,097)
	<u>143,485</u>	<u>50,357</u>

Credit Risk

The company has no significant concentration of credit risk with respect to any single counterparty or group of counterparties.

The balances of receivables that remain within initial trade terms are considered to be of high credit quality.

Note 6. Current assets - inventories

	2024	2023
	\$	\$
Inventory held	<u>263,602</u>	<u>208,337</u>

Note 7. Current assets - financial assets

	2024	2023
	\$	\$
Term deposits - short term	<u>7,500,000</u>	<u>-</u>

Reconciliation

Reconciliation of the carrying value at the beginning and end of the current and previous financial year are set out below:

Opening balance	-	-
Additions	7,500,000	-
Closing balance	<u>7,500,000</u>	<u>-</u>

Animal Welfare League NSW
Notes to the financial statements
30 June 2024

Note 8. Current assets - other

	2024	2023
	\$	\$
Accrued revenue	12,500	25,995
Prepayments	126,474	47,803
Other deposits	18,947	10,967
Other current assets	33,207	24,856
	<u>191,128</u>	<u>109,621</u>

Note 9. Non-current assets - investments

	2024	2023
	\$	\$
Investment	<u>10,558,736</u>	<u>11,645,391</u>

Reconciliation

Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

Opening fair value	11,645,391	14,070,518
Disposals	(1,217,500)	(2,517,847)
Unrealised and realised gain on financial assets	130,845	92,720
	<u>10,558,736</u>	<u>11,645,391</u>

Note 10. Non-current assets - property, plant and equipment

	2024	2023
	\$	\$
Land - Freehold land at fair value	6,680,000	6,680,000
Buildings - at fair value	6,889,992	6,548,863
Less: Accumulated depreciation	(3,299,203)	(3,078,616)
Total building at fair value	<u>3,590,789</u>	<u>3,470,247</u>
Plant and equipment - at cost	3,212,057	2,603,763
Less: Accumulated depreciation	(1,896,259)	(1,746,432)
Total plant and equipment	<u>1,315,798</u>	<u>857,331</u>
Total property, plant and equipment	<u>11,586,587</u>	<u>11,007,578</u>

Animal Welfare League NSW
Notes to the financial statements
30 June 2024

Note 10. Non-current assets - property, plant and equipment (continued)

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:

	Land and Buildings \$	Plant and Equipment \$	Total \$
Balance at 1 July 2023	10,150,247	857,331	11,007,578
Additions	341,129	735,941	1,077,070
Disposals	-	(8,426)	(8,426)
Depreciation expense	(220,587)	(269,048)	(489,635)
Balance at 30 June 2024	<u>10,270,789</u>	<u>1,315,798</u>	<u>11,586,587</u>

Note 11. Non-current assets - intangibles

	2024 \$	2023 \$
Computer Software - at cost	325,467	273,851
Less: Accumulated amortisation	<u>(267,408)</u>	<u>(234,153)</u>
	58,059	39,698
Trademark - at cost	4,700	4,700
Less: Accumulated amortisation	<u>(3,114)</u>	<u>(2,591)</u>
	1,586	2,109
	<u>59,645</u>	<u>41,807</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Computer Software \$	Trademark \$	Total \$
Balance at 1 July 2023	39,698	2,109	41,807
Additions	51,616	-	51,616
Amortisation expense	<u>(33,255)</u>	<u>(523)</u>	<u>(33,778)</u>
Balance at 30 June 2024	<u>58,059</u>	<u>1,586</u>	<u>59,645</u>

Note 12. Current liabilities - trade and other payables

	2024 \$	2023 \$
Trade payables	228,122	277,182
Other payables	<u>235,245</u>	<u>165,365</u>
	<u>463,367</u>	<u>442,547</u>

Animal Welfare League NSW
Notes to the financial statements
30 June 2024

Note 13. Current liabilities - contract liabilities

	2024	2023
	\$	\$
Government grant	<u>5,192,316</u>	<u>7,640,728</u>

Note 14. Equity - reserves

	2024	2023
	\$	\$
Other reserves	<u>6,690,544</u>	<u>6,690,544</u>

Asset Revaluation Reserve

The reserve is used to recognise increments and decrements in the fair value of land and buildings.

Note 15. Equity - retained surpluses

	2024	2023
	\$	\$
Retained surpluses at the beginning of the financial year	19,874,349	20,238,121
Surplus/(deficit) after income tax expense for the year	<u>1,169,948</u>	<u>(363,772)</u>
Retained surpluses at the end of the financial year	<u>21,044,297</u>	<u>19,874,349</u>

Note 16. Provisions

	2024	2023
	\$	\$
Current:		
Employee provision: Annual leave	461,455	412,230
Employee provision: Time-in-lieu	32,216	33,114
Employee provision: Long service leave	17,530	-
Total current provisions	<u>511,201</u>	<u>445,344</u>
Non-current:		
Employee provision: Long service leave	28,412	41,414
Lease make good	111,248	-
Total non-current provisions	<u>139,660</u>	<u>41,414</u>
Total provisions	<u>650,861</u>	<u>486,758</u>

Employee provisions

Employee provisions represent amounts accrued for annual leave, time-in-lieu and long service leave. The current portion for this provision includes the total amount accrued for annual leave entitlements, time-in-lieu, and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

Animal Welfare League NSW
Notes to the financial statements
30 June 2024

Note 16. Provisions (continued)

Lease make good

The provision represents the present value of the estimated costs to make good the premises leased by the company at the end of the respective lease terms.

Note 17. Leases

During the year, Animal Welfare League NSW entered into several lease agreements with initial terms ranging from 2 to 3 years. The options to extend are contained in several of the property leases. The extension options which management were reasonably certain to be exercised have been included in the calculation of the lease liability.

	2024	2023
	\$	\$
Right-of-use assets	335,094	-
Less: Accumulated depreciation	(61,829)	-
	<u>273,265</u>	<u>-</u>
	2024	2023
	\$	\$
Right of use assets:		
Opening balance	-	186,673
Additions	223,846	-
Additions - make good	111,248	-
Depreciation expense	(61,829)	(28,894)
Disposal	-	(157,779)
	<u>273,265</u>	<u>-</u>
Closing Carrying Amount		
	2024	2023
	\$	\$
Lease liabilities		
Opening balance	-	200,058
Additions to lease liabilities	228,042	-
Principal repayments	(40,648)	(42,279)
Disposal	-	(157,779)
	<u>187,394</u>	<u>-</u>
Closing balance		
	2024	2023
	\$	\$
Lease liabilities current	86,020	-
Lease liabilities non-current	101,374	-
	<u>187,394</u>	<u>-</u>
	2024	2023
	\$	\$
Leases in Statement of Profit or loss		
Depreciation of right-of-use assets	61,829	28,894
Interest expense	7,110	8,524
Short-term lease expenses	113,420	70,200

Animal Welfare League NSW
Notes to the financial statements
30 June 2024

Note 18. Related party transactions

Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any director (whether executive or otherwise) is considered key management personnel.

	2024	2023
	\$	\$
Key management personnel compensation:		
Short-term employee benefits	270,000	248,664
Post-employee benefit	29,700	26,110
	<u>299,700</u>	<u>274,774</u>
Total	<u>299,700</u>	<u>274,774</u>

Note 19. Events after the reporting period

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Note 20. Financial risk management

The company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term and long-term investments, receivables and payables, and lease liabilities.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 139: *Financial Instruments: Recognition and measurement* as detailed in the accounting policies to these financial statements, are as follows:

	2024	2023
	\$	\$
Financial Assets		
Cash and cash equivalents	3,652,331	12,071,835
Accounts receivable and other debtors	143,485	50,357
Financial assets at fair value through profit or loss	10,558,736	11,645,391
Financial assets at amortized cost	7,500,000	-
	<u>21,854,552</u>	<u>23,767,583</u>
	2024	2023
	\$	\$
Financial Liability		
Financial liabilities at amortised cost:		
- Accounts payable and other payables	463,367	442,547
- Contract Liabilities	5,192,316	7,640,728
- Lease liabilities	187,394	-
	<u>5,843,077</u>	<u>8,083,275</u>

Financial Risk Management Policies:

The Directors are responsible for monitoring and managing the company's compliance with its risk management strategy and consists of senior board members. The Directors' overall risk management strategy is to assist the company in meeting its financial targets while minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the Directors on a regular basis. These include credit risk policies and future cash flow requirements.

Note 20. Financial risk management (continued)

Specific Financial Risk Exposures and Management

The main risks the company is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk and other price risk.

There have been no substantive changes in the types of risks the company is exposed to, how these risks arise, or the Board's objectives, policies and processes for managing or measuring the risks from the previous period.

a. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss for the company.

Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

Accounts receivable and other debtors that are neither past due nor impaired are considered to be of high credit quality.

The company has no significant concentrations of credit risk exposure to any single counterparty or group of counterparties. Details with respect to credit risk of accounts receivable and other debtors are provided in Note 5.

b. Liquidity risk

Liquidity risk arises from the possibility that the company might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to financial liabilities. The company manages this risk through the following mechanisms:

- preparing forward-looking cash flow analyses in relation to its operating, investing and financing activities;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

Animal Welfare League NSW
Notes to the financial statements
30 June 2024

Note 20. Financial risk management (continued)

c. Market risk

(i) Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The company is also exposed to earnings volatility on floating rate instruments.

The financial instruments that expose the company to interest rate risk are limited to lease liabilities, listed shares, government and fixed interest securities, and cash on hand.

The company also manages interest rate risk by ensuring that, whenever possible, payables are paid within any pre-agreed credit terms.

(ii) Other price risk

Other price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) of securities held.

Note 21. Reconciliation of cash flows from operating activities with net current year surplus

	2024	2023
	\$	\$
Net current year surplus / (deficit)	1,169,948	(363,772)
Non-cash flows:		
Depreciation and amortisation expense	585,241	505,142
Interest income	(903,826)	(543,122)
Dividend income	(95,330)	(89,178)
Unrealised and realised gain on financial assets	(130,845)	(92,720)
Gain on sale of property, plant and equipment	(53,028)	-
Other	4,198	-
Changes in assets and liabilities:		
(Increase) / decrease in accounts receivable and other debtors	(93,129)	39,703
(Increase) / decrease in inventory	(55,265)	34,279
(Increase) / decrease in other current assets	(81,506)	16,826
Increase / (decrease) in accounts payable and other payables	20,820	(105,043)
(Decrease) / increase in contract liabilities	(2,448,412)	7,640,728
Increase in employee provisions	52,855	21,811
	<u>(2,028,279)</u>	<u>7,064,654</u>

Note 22. Fair Value Measurements

The company measures and recognises the following assets at fair value on a recurring basis after initial recognition

- financial assets at fair value through profit or loss;
- available-for-sale financial assets; and
- freehold land and buildings.

The company does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

Animal Welfare League NSW
Notes to the financial statements
30 June 2024

Note 22. Fair Value Measurements (continued)

a. Fair Value Hierarchy

AASB 13: *Fair Value Measurement* requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1 Level 2 Level 3

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at measurement date. Measurements based on inputs other than quoted prices for the included in Level 1 that are observable for the asset or liability, either directly or indirectly. Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The company selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the company are consistent with one or more of the following valuation approaches:

- *Market approach* uses prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- *Income approach* converts estimated future cash flows or income and expenses into a single discounted present value.
- *Cost approach* reflects the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the company gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

30 June 2024

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets				
Financial assets at the fair value through profit or loss	10,558,736	-	-	10,558,736
Total financial assets recognised at fair value	<u>10,558,736</u>	<u>-</u>	<u>-</u>	<u>10,558,736</u>
Non-Financial assets				
Freehold land	-	-	6,680,000	6,680,000
Buildings	-	-	3,590,789	3,590,789
Total non-financial assets recognised at fair value	<u>-</u>	<u>-</u>	<u>10,270,789</u>	<u>10,270,789</u>

Animal Welfare League NSW
Notes to the financial statements
30 June 2024

Note 22. Fair Value Measurements (continued)

30 June 2023

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial assets				
Financial assets at fair value through profit or loss	11,645,391	-	-	11,645,391
Total financial assets recognised at fair value	<u>11,645,391</u>	<u>-</u>	<u>-</u>	<u>11,645,391</u>
Non-financial assets				
Freehold land	-	-	6,680,000	6,680,000
Buildings	-	-	3,470,246	3,470,246
Total non-financial assets recognised at fair value	<u>-</u>	<u>-</u>	<u>10,150,246</u>	<u>10,150,246</u>

Note 23. Entity details

The registered office of the entity is:
Animal Welfare League NSW
1605 Elizabeth Drive
Kemps Creek, NSW 2178

The principal place of business is:
Animal Welfare League NSW
1605 Elizabeth Drive
Kemps Creek, NSW 2178

Note 24. Members' guarantee

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$5 each towards meeting any outstanding obligations of the entity. At 30 June 2024, the number of members was 1,455 (2023: 1,506).

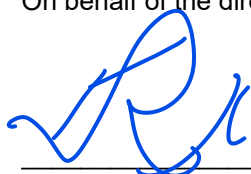
Animal Welfare League NSW
Directors' declaration
30 June 2024

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosures, the Australian Charities and Not-for-profits Commission Act 2012 and New South Wales legislation the Charitable Fundraising Act 1991 and associated regulations, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2024 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Karen Robinson



Linda Geddes

28 October 2024

ANIMAL WELFARE LEAGUE NSW
ABN 88 000 533 086

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
 ANIMAL WELFARE LEAGUE NSW**

Opinion

We have audited the financial report of Animal Welfare League NSW, which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss and other comprehensive income, statement of changes in equity and the statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion, the accompanying financial report of Animal Welfare League NSW is in accordance with the *Australian Charities and Not-for-Profit Commission Act 2012*, including:

- a. giving a true and fair view of the Company's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- b. complying with Australian Accounting Standards and Division 60 of *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the registered entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* has been given to the directors of the company.

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

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the registered entity's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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**ANIMAL WELFARE LEAGUE NSW
ABN 88 000 533 086**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ANIMAL WELFARE LEAGUE NSW**

Responsibilities of the Directors for the Financial Report

The directors of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the registered entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

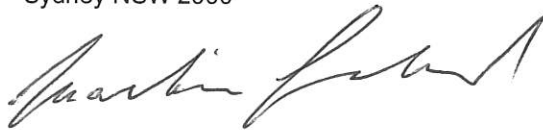
- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

ANIMAL WELFARE LEAGUE NSW
ABN 88 000 533 086

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ANIMAL WELFARE LEAGUE NSW**

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

HALL CHADWICK
Level 40, 2 Park Street
Sydney NSW 2000



MARTIN SABANOS
Director
Dated: 28 October 2024