

RIGHTEOUS PUPS

A U S T R A L I A

Financial Statements

as at

30 June 2016

Righteous Pups Australia Inc
ABN: 80 473 459 921
Committee Report

Your committee members submit the financial report of Righteous Pups Australia Inc for the financial period ending 30th June 2016.

Committee Members

The names of the committee members through out the period and at the date of this report are:

Joanne Baker
Barbara Semler
John Tabone

Jenny Atkins
Warren Sinnott
Matthew Barkla

Principal Activities

The principal activities of the association during the financial period were to provide dog obedience training.

Significant Changes

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

Operating Result

The profit from ordinary activities amounted to \$43,542 [\$55,463 in 2015]

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

Joanne Baker
President

Signed this.....day of.....2016.

Righteous Pups Australia Inc
ABN: 80 473 459 921
Income Statement
for the year ended 30 June 2016

	<u>Notes</u>	2016 \$	2015 \$
Revenues from ordinary activities	2	712,405	466,435
Salaries and employee benefits expense		(341,783)	(235,203)
Depreciation and amortisation expense	4	(34,078)	(23,633)
General administration expenses	3	(293,002)	(152,136)
Surplus/(Loss) for the Year		43,542	55,463

The accompanying notes form part of these financial statements

Righteous Pups Australia Inc
ABN: 80 473 459 921
Balance Sheet
as at 30 June 2016

	<u>Notes</u>	2016 \$	2015 \$
Assets			
Current Assets			
Cash assets	5	24,827	85,637
Trade and other receivables	6	5,678	-
Total Current Assets		30,505	85,637
Non-Current Assets			
Property, plant and equipment	7	782,690	684,529
Intangible assets	8	818	818
Total Non-Current Assets		783,508	685,347
Total Assets		814,013	770,984
Liabilities			
Current Liabilities			
Trade and other payables	9	27,894	46,123
Provisions	10	28,687	30,633
Borrowings	11	9,696	10,032
Total Current Liabilities		66,277	86,788
Non Current Liabilities			
Borrowings	11	27,483	7,485
Total Non-Current Liabilities		27,483	7,485
Total Liabilities		93,760	94,273
Net Assets		720,253	676,711
Members Funds			
Retained surplus	12	720,253	676,711
Total Members Funds		720,253	676,711

The accompanying notes form part of these financial statements

Righteous Pups Australia Inc
ABN: 80 473 459 921
Statement of changes in members funds
for the year ended 30 June 2016

	2016	2015
	\$	\$
Total members funds at the beginning of the financial year	676,711	621,248
Net surplus for the year	43,542	55,463
	<hr/>	<hr/>
Total members funds at the end of the financial year	720,253	676,711
	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes form part of these financial statements

1. Summary of significant accounting policies

Basis of preparation

The financial report is a special-purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Reform Act (2012). The committee has determined that the association is not a reporting entity.

The financial report has been prepared on an accrual basis. It 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 accounting policies are consistent with the previous period, unless otherwise stated.

(a) Property, plant and equipment

Fixed Assets are carried at cost less, where applicable, any accumulated depreciation.

All fixed assets except for land are depreciated over their estimated useful lives commencing from the time the asset is held ready for use.

(b) Income Tax

The income of Righteous Pups Bendigo Inc. is specifically exempt from Income Tax under Section 50-45 of the Income Tax Assessment Act 1997.

(c) Cash

For the purposes of the cashflow statement, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

(d) Comparative figures

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

(e) Revenue

Interest and fee revenue is recognised when earned. All revenue is stated net of amount of Goods and Services Tax (GST).

(f) Impairment of goods

At the end of each reporting period the committee reviews the carrying amount of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists an impairment test is carried out on the asset by comparing the recoverable amount of the asset being the higher of the asset's fair value less cost to sell and value in use to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in the income statement.

(g) Employer provisions

Provision is made for the associations liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee provisions have been measured at the amounts expected to be paid when the liability is settled.

(h) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period that remain unpaid. The balance is recognised as a currently liability with the amounts normally paid within 30 days of recognition of the liability

(i) Good and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except when 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 receivable from or payable to the ATO is included with other receivables or payables on the balance sheet.

Righteous Pups Australia Inc
ABN: 80 473 459 921
Notes to the Financial Statements
for the year ended 30 June 2016

	2016	2015
	\$	\$
2. Revenue from ordinary activities		
Operating activities:		
- donations	344,661	425,270
- fundraising	5,923	-
- subsidies	-	-
- grants	88,000	-
- other revenue	273,786	41,045
Total revenue from operating activities	<u>712,370</u>	<u>466,315</u>
Non-operating activities:		
- interest received	35	120
Total revenue from non-operating activities	<u>35</u>	<u>120</u>
Total revenues from ordinary activities	<u><u>712,405</u></u>	<u><u>466,435</u></u>

3. Administration and other expenses from ordinary activities

Ordinary activities:		
- advertising	3,381	150
- dog food	38,165	25,913
- dog purchases	41,057	14,400
- general	3,992	3,789
- insurance	2,184	9,776
- motor vehicle	25,833	16,585
- minor equipment	2,897	4,370
- office expenses	6,173	4,083
- repairs & maintenance	12,112	6,252
- staff amenities	2,823	4,282
- staff training	36,534	1,161
- telephone	10,401	3,102
- therapy dog purchases	7,727	5,036
- travel and accommodation	53,816	14,539
- utilities	9,707	7,011
- other	36,200	31,687
Total expenses from ordinary activities	<u>293,002</u>	<u>152,136</u>

4. Depreciation

Depreciation of non-current assets:		
- plant and equipment	34,078	23,633
	<u>34,078</u>	<u>23,633</u>

Righteous Pups Australia Inc
ABN: 80 473 459 921
Notes to the Financial Statements
for the year ended 30 June 2016

	2016	2015
	\$	\$
5. Cash assets		
Cash at bank and on hand		
- General	22,258	82,748
- GST	60	60
- Community Dogs	2,363	2,683
- Grants	8	8
- Cash float	138	138
	<u>24,827</u>	<u>85,637</u>

Cash at the end of the financial year as shown in the statement of cashflow is reconciled to items in the balance sheet as follows:

Cash at bank and on hand		
- General	22,258	82,748
- GST	60	60
- Community Dogs	2,363	2,683
- Grants	8	8
- Cash float	138	138
	<u>24,827</u>	<u>85,637</u>

6. Trade and other receivables

Current		
Trade Debtors	5,678	-
	<u>5,678</u>	<u>-</u>

7. Property, plant and equipment

Property

At cost	621,971	566,426
Less accumulated depreciation	(21,518)	(14,608)
	<u>600,453</u>	<u>551,818</u>

Plant and equipment

At cost	296,823	220,129
Less accumulated depreciation	(114,586)	(87,418)
	<u>182,237</u>	<u>132,711</u>
	<u>782,690</u>	<u>684,529</u>

Movements in carrying amounts:

Property

Carrying amount at beginning	551,818	513,214
Additions	55,543	43,537
Less: depreciation expense	(6,910)	(4,933)
Carrying amount at end	<u>600,451</u>	<u>551,818</u>

Plant and equipment

Carrying amount at beginning	132,711	97,884
Additions	76,696	53,527
Less: depreciation expense	(27,168)	(18,700)
Carrying amount at end	<u>182,239</u>	<u>132,711</u>

Righteous Pups Australia Inc
ABN: 80 473 459 921
Notes to the Financial Statements
for the year ended 30 June 2016

	2016	2015
	\$	\$
8. Intangible assets		
Trademark - at cost	818	818
	<u>818</u>	<u>818</u>
9. Trade and other payables		
Trade Creditors	2	2
GST Payable	2,376	8,425
Other creditors & accruals	25,516	37,696
	<u>27,894</u>	<u>46,123</u>
10. Provisions		
Employee provisions	<u>28,687</u>	<u>30,633</u>
11. Borrowings		
Bank Loan - Current	9,696	10,032
Bank Loan - Non Current	27,483	7,485
	<u>37,179</u>	<u>17,517</u>
12. Retained surplus		
Balance at the beginning of the financial year	676,711	621,248
Net surplus	43,542	55,463
Balance at the end of the financial year	<u>720,253</u>	<u>676,711</u>
13. Statement of cashflows		
<i>Reconciliation of surplus/(loss) for the year to net cash provided by operating activities</i>		
Surplus for the year	43,542	55,463
Non cash items:		
- depreciation	34,078	23,633
Changes in assets and liabilities:		
- (increase)/decrease in receivables	(5,678)	-
- increase/(decrease) in payables	(18,229)	15,754
-increase/(decrease) in provisions	(1,946)	3,278
Net cashflows provided by/(used in) operating activities	<u>51,767</u>	<u>98,128</u>

14. Events occurring after the balance sheet date

There have been no events after the end of the financial year that would materially affect the financial statements.

15. Contingent liabilities

There are no contingent liabilities at the date of this report to affect the financial statements.

Righteous Pups Australia Inc
ABN: 80 473 459 921
Notes to the Financial Statements
for the year ended 30 June 2016

16. Segment reporting

The economic entity is a dog training association. The economic entity operates in one geographic area, being Bendigo, Victoria.

17. Related parties

The names of the persons who were members of the committee at any time during the year were:

Joanne Baker	Jenny Atkins
Barbara Semler	Warren Sinnott
John Tabone	Matthew Barkla

No remuneration or retirement benefits are payable as the positions are voluntary except Joanne Baker and Jenny Atkins who are paid a salary on terms and conditions. There were no loans with members of the committee during the period.

The following Committee members of the Association have provided accounting and legal services to the Association on ordinary commercial terms and conditions no more favourable than those which it is reasonable to expect the Association would have adopted if dealing at arm's length in the same circumstances.

Committee Member	Related Entity	Transactions	2016	2015
			\$	\$
Matthew Barkla	Beck Legal	Legal Services	\$ -	\$ -

Beck Legal provide these services on a pro bono basis.

Righteous Pups Australia Inc
ABN: 80 473 459 921
Statement of Cashflows
for the year ended 30 June 2016

	<u>Notes</u>	2016 \$	2015 \$
Cash flows from operating activities			
Receipts from customers		732,657	466,315
Payments to suppliers and employees		(680,925)	(368,307)
Interest received		35	120
Net cash inflow from operating activities	12	<u>51,767</u>	<u>98,128</u>
Cash Flows From Investing Activities			
Payment for intangible assets		-	-
Payments for property plant and equipment		(132,239)	(97,064)
Net cash outflow from investing activities		<u>(132,239)</u>	<u>(97,064)</u>
Cash Flows From Financing Activities			
Proceeds from borrowings		-	-
Repayment of borrowings		19,662	(8,089)
Net cash outflow from investing activities		<u>19,662</u>	<u>(8,089)</u>
Net increase in cash held		(60,810)	(7,025)
Cash at the beginning of the financial year		85,637	92,662
Cash at the end of the financial year	5	<u><u>24,827</u></u>	<u><u>85,637</u></u>

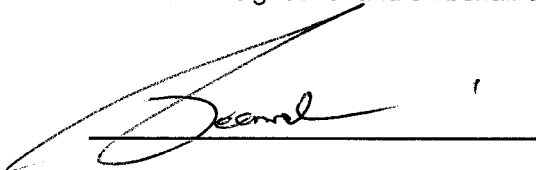
The accompanying notes form part of these financial statements

Righteous Pups Australia Inc
ABN: 80 473 459 921
Committee Declaration

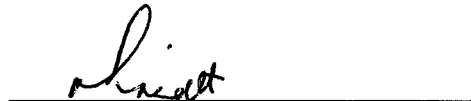
In accordance with a resolution of the committee of the Righteous Pups Australia Inc. the committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements and declares that the financial statements as set out on pages 3 to 11:

- (a) present a true and fair view of the financial position of Righteous Pups Australia Inc as at 30 June 2016 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements and the requirements of the Associations Incorporation Reform Act 2012; and
- (b) at the date of this statement, there are reasonable grounds to believe that Righteous Pups Australia Inc will be able to pay its debts as and when they fall due.

This statement is signed for and on behalf of the committee by:



Joanne Baker
President



Warren Sinnott
Vice President

Signed this.....20th.....day of.....December.....2016.

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF**RIGHTEOUS PUPS AUSTRALIA INC****A.B.N. 80 473 459 921****REPORT ON THE FINANCIAL REPORT**

I have audited the accompanying financial report of Righteous Pups Australia Inc which comprises the balance sheet as at 30th June 2016 and the income statement, statement of changes in members funds and statement of cashflows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the statement by members of the committee.

The committee of the association is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporation Reform Act (2012) - Victoria. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITOR'S RESPONSIBILITY

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australia Accounting 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 judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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.

As an audit procedure, it was not practicable to extend my examination of cash receipts beyond the accounting for amounts received in the books of the Righteous Pups Australia Inc.

The audit opinion expressed in this report has been formed on the above basis.

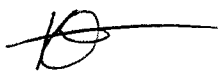
INDEPENDENCE

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

AUDIT OPINION

Subject to the above matters, in my opinion, the financial report of Righteous Pups Australia Inc is in accordance with the Associations Incorporation Reform Act (2012) – Victoria including:

- (i) giving a true and fair view of the Association's financial position as at 30th June 2016 and of their performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporation Reform Act (2012) – Victoria to the extent described in Note 1.



.....
K.R. OBUDZINSKI
CPA

Dated this 14th December 2016

Beattie Financial Services
56 Mundy Street
Bendigo, Vic, 3550.

**Management Representation Letter for:
RIGHTEOUS PUPS AUSTRALIA INC (Associations Incorporations Act 1981
Vic)**

Dear Madam,

In connection with your audit examination of the financial statements of the Righteous Pups Australia Inc for the year ended 30th June 2016 we hereby confirm, at your request, that to the best of our knowledge and belief, the following representations relating to the financial statements are correct.

Accounts

The financial statements of the Righteous Pups Australia Inc have been drawn up so as to give a true and fair view of the state of affairs of the Righteous Pups Australia Inc as at the 30th June 2016 and of the result of the Righteous Pups Australia Inc for the year ended on that date.

The accounting records of the Righteous Pups Australia Inc were maintained in accordance with the requirements of the Corporations Act and the financial report was prepared in accordance with Note 1 to the financial report, Accounting Standards and other professional reporting requirements.

Assets

Inventories

1. There were no inventories of raw materials, work in progress, finished goods or supplies at balance date.

Accounts Receivable

1. Current accounts receivable at balance date amount to nil.

Liabilities

1. All liabilities which have arisen or which will arise out of the activities of the Righteous Pups Australia Inc to the end of the financial year have been included in the financial report.

2. There were no material commitments for construction or acquisition of property, plant and equipment or to acquire other non-current assets other than those disclosed in the financial report.
3. There were no contingent liabilities including:
 - a) guarantees;
 - b) bills and accounts receivable discounted, assigned or sold and which are subject to recourse;
 - c) endorsements;
 - d) pending law suits, unsatisfied judgements or claims; or
 - e) repurchase agreements;which are not shown in the notes to the financial report.

General

1. We have made available to you for inspection all financial records and related data necessary for the conduct of the audit.
2. We have established and maintained an adequate internal control structure to facilitate the preparation of a reliable financial report, and adequate financial records have been maintained. There are no material transactions that have not been properly recorded in the accounting records underlying the financial report.
3. No events have occurred subsequent to balance date that would require adjustment to or disclosure in the financial report.
4. We have no plans or intentions that may materially affect the carrying value or the classification of assets and liabilities at balance date.
5. There are no violations or possible violations of laws or regulations whose effects should be considered for disclosure in the financial report or as basis for recording an expense.
6. We are unaware of any frauds, thefts and losses.
7. The Righteous Pups Australia Inc has an established procedure whereby an officer reviews at least annually the adequacy of insurance cover on all assets and insurable risks. This review has been performed, and where it is considered appropriate, assets and insurable risks of the Righteous Pups Australia Inc are adequately covered by insurance.

Property, Plant and Equipment

1. The additions to fixed asset accounts, as recorded in the books, represents the cost of additions or improvements to existing facilities or replacements thereof. All units of property which have been replaced, sold. Dismantled or otherwise disposed of, or which are permanently unusable, have been removed from the fixed asset register. Adequate provision determined in a manner consistent with that of the preceding year has been made to write off depreciable assets over their useful lives.
2. All additions to fixed assets represent actual additions or improvements of a capital nature. No items of repairs and maintenance have been carried forward as fixed assets and no capital additions or improvements were charged to expenses.
3. There are no deficiencies or encumbrances attaching to the title of the assets of the Righteous Pups Australia Inc at 30th June 2016 other than those reflected in the financial report and these are not greater than the value of the asset.
4. In the opinion directors there are reasonable grounds to believe that the Righteous Pups Australia Inc will be pay its debts as and when they fall due.

Yours Faithfully,
On behalf of the Righteous Pups Australia Inc.



.....
J. BAKER

12th December 2016