

**Borneo Orangutan Survival
(BOS) Australia Incorporated**

Financial Statements

for the year ended 30th June 2017

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PRESIDENT'S REPORT

The President presents his report together with the financial statements for the year ended 30th June 2017. The names of the committee members in office at any time during the financial year are as follows:

	Role	Commenced	Resigned
Anthony Gilding	President	July 2012	
Louise Grossfeldt	Vice President	July 2012	
Jade Harley	Ordinary	September 2014	November 2016
Catherine Heawood	Ordinary	October 2012	
Lauren Jenkins	Secretary	September 2014	
Deborah Mohr	Treasurer	October 2010	November 2016
Janet Lackey	Ordinary	November 2016	February 2017
Mariana Von Lucken	Ordinary	March 2012	November 2016
Susan Griffiths	Treasurer	November 2016	
Emma Dunphy	Ordinary	November 2016	
Kerin Welford	Ordinary	November 2016	

Principal activities

Borneo Orangutan Survival (BOS) Australia Incorporated (“BOS Australia”) contributes to the conservation and protection of orangutans and their habitat by fundraising and increasing awareness. It does so by funding, supporting, and assisting with the activities undertaken by the Borneo Orangutan Survival (BOS) Foundation (“BOS Indonesia”) domiciled in Bogor, Indonesia for the protection, preservation and survival of orangutans. The principal activities remained unchanged during the year.

Review of Operations

The year has focussed on more releases. So far we have helped fund the release of 282 Orangutans back in the wild. The programme has been a great success and we continue to focus on releases as our first priority. Land purchase and restoration has also been a major focus for the year. A highlight was completing the purchase of Salat Island which gives us space for an extra 200 orangutans to be kept in semi wild conditions ready for release.

We still have over 650 orangutans in our care. That includes over 200 who have been designated as un-releasable for various health reasons. Another of our priorities is enrichment of these orangutan’s lives, so they can be as comfortable as possible. Our VP Lou Grossfeldt has been active in this area and has travelled to Borneo with Australian volunteers to provide hands on assistance. We have also sent Australian volunteers to help build facilities for these orangutans. This year we have completed two new waste water systems in Borneo with the help of volunteers.

The funding for the release program, the enrichment programme and other financial support sent to BOS Indonesia was raised through your donations, orangutan adoptions, merchandise sales and other fundraising events and efforts organised by volunteer groups and the committee. To our donors, volunteers and our committee we extend our sincere gratitude.

Subsequent events

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of BOS Australia.

Future developments

A report on your new committee’s action plan for 2017-2018 will be presented at the AGM.

ASSURANCE PRACTITIONER'S INDEPENDENCE DECLARATION

We hereby declare, that to the best of our knowledge and belief, during the financial year ended 30 June 2017 there have been no:

contraventions of the assurance practitioner independence requirements in relation to the audit; and

- (ii) contraventions of any applicable code of professional conduct in relation to the audit.

Name of Firm: Quality Financial Solutions Pty Ltd

Name of Partner: _____
David Petersen

Address: 1 Pymm Avenue Eltham North Vic., 3095

Dated this

Borneo Orangutan Survival (BOS) Australia
Statement of Profit or Loss and Other Comprehensive Income
For the financial year ended 30 June 2017

	Note	Year ended 30 June 2017 \$	Year ended 30 June 2016 \$
Continuing operations			
Revenue			
Donations received	2	414,004	363,992
Fundraising revenue	2	1,250	220
Merchandise sales	2	93	1,311
Other revenue	2	2,887	3,252
Total revenue	2	<u>418,234</u>	<u>368,775</u>
Expenses			
BOS Indonesia financial support	3	150,735	244,427
Other Orangutan project costs	3	38,421	48,419
Fundraising expenses	3	27,483	3,626
Cost of merchandise sold	3	254	1,578
Marketing costs	3	1,114	1,759
Other expenses	3	71,699	48,248
Total expenses	3	<u>289,706</u>	<u>348,054</u>
 TOTAL COMPREHENSIVE INCOME FOR THE YEAR		 <u>128,528</u>	 <u>20,721</u>

Notes to and forming part of the financial statements are attached on pages 8 to 13.

Borneo Orangutan Survival (BOS) Australia
Statement of Financial Position
as at 30 June 2017

	Note	30 June 2017	30 June 2016
		\$	\$
ASSETS			
Current Assets			
Cash and bank balances	5	266,360	139,093
Inventories		1,813	1,952
Receivables	6	3,003	1,603
Total Current Assets		<u>271,176</u>	<u>142,648</u>
Total Assets		<u>271,176</u>	<u>142,648</u>
LIABILITIES			
Current Liabilities			
Trade and other payables	7	0	0
Total Current Liabilities		<u>0</u>	<u>0</u>
Total Liabilities		<u>0</u>	<u>0</u>
Net Assets		<u>271,176</u>	<u>142,648</u>
EQUITY			
Capital and reserves			
Reserves and accumulated funds	4	271,176	142,648
Total Equity		<u>271,176</u>	<u>142,648</u>

Notes to and forming part of the financial statements are attached on pages 8 to 13.

Borneo Orangutan Survival (BOS) Australia
Statement of Changes in Equity
For the financial year ended 30 June 2017

	Note	Total funds 30 June 2017 \$	Total funds 30 June 2016 \$
Balance as at 1 July 2015	4	121,927	97,440
Profit / (Loss) for Year		<u>20,721</u>	<u>24,487</u>
Balance as at 30 June 2016	4	142,648	121,927
Profit / (Loss) for Year		<u>128,528</u>	<u>20,721</u>
Balance as at 30 June 2017	4	<u>271,176</u>	<u>142,648</u>

Notes to and forming part of the financial statements are attached on pages 8 to 13.

Borneo Orangutan Survival (BOS) Australia
Statement of Cash Flow
For the financial year ended 30 June 2017

	Note	Year ended 30 June 2017 \$	Year ended 30 June 2016 \$
Cash flows from operating activities			
Receipts from customers including government subsidies		416,020	366,839
Payments to suppliers and employees		(289,567)	(347,425)
Interest received		814	1,384
Net cash inflows from operating activities		<u>127,267</u>	<u>20,798</u>
Cash flows from investing activities			
Net cash (used in)/generated by investing activities		<u>0</u>	<u>0</u>
Cash flows from financing activities			
Net cash flows from financing activities		<u>0</u>	<u>0</u>
Net increase/(decrease) in cash and cash equivalents	5	<u>127,267</u>	<u>20,798</u>
Cash and cash equivalents at beginning of year		<u>139,093</u>	<u>118,295</u>
Cash and cash equivalents at end of year	5	<u>266,360</u>	<u>139,093</u>

Notes to and forming part of the financial statements are attached on pages 8 to 13.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2017

Note 1 Summary of Significant Accounting Policies

Financial reporting framework

The incorporated association is not a reporting entity because in the opinion of the directors there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, these special purpose financial statements have been prepared to satisfy the financial reporting requirements of the Australia Charities and Not-for-profits Commission Act 2012 (ACNC Act), Associations Incorporation Act 2009, and the following Australian Accounting Standards:

AASB 101	Presentation of Financial Statements
AASB 107	Statement of Cash Flows
AASB 108	Accounting Policies, Changes in Accounting Estimates and Errors
AASB 1031	Materiality
AASB 1048	Interpretation of Standards
AASB 1054	Australian Additional Disclosures

Statement of compliance

The financial report has been prepared in accordance with the requirements of the Australian Accounting Standards-Reduced Disclosure Requirements and other authoritative pronouncements of the Australian Accounting Standards Board. Preparation under the Australian Accounting Standards is in line with the amendment to the NSW Incorporated Associations reporting requirements.

The financial report was authorised for issue by the committee and its members on the 23rd October 2017.

Basis of preparation

The financial report has been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for the assets. All amounts are presented in Australian dollars and rounded to the nearest dollar.

Adoption of new and revised Accounting Standards

In the current year, the Entity has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to the operations of the Entity and effective for the current annual reporting period.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2017

Note 1 Summary of Significant Accounting Policies (continued)

Accounting policies

The financial statements are prepared on a going concern basis. The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

(a) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST) except:

- where the GST incurred is not recoverable from the Australian Taxation Office (“ATO”), it is recognised as part of the cost of acquisition of the asset or as part an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables.

Cash flows are included in the Cash Flow Statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the ATO is classified within operating cash flows.

(b) Revenue recognition

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

The following specific recognition criteria must be met before revenue is recognised.

Sale of goods

Revenue from the sale of goods is recognised when

- the Association has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Association retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Association; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Specifically, revenue from the sale of goods is recognised when goods are delivered and legal title is passed.

Interest

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

The interest revenue is recognised when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2017

Note 1 Summary of Significant Accounting Policies

(b) Revenue recognition Continued

Donations and Bequests

The timing of the recognition of contributions from donations and bequests depends on when control of these contributions or right to receive these contributions is obtained, which is usually upon receipt of the monies.

(c) Income tax

As the Association is an endorsed charity, it does not pay income tax under the Income Tax Assessment Act 1997.

(d) Cash and cash equivalents

Cash comprises cash on hand and demand deposits held with banks. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, which are subject to an insignificant risk of changes in value, and have a maturity of six months or less at the date of acquisition.

(i) Inventories

Inventories are valued at the lower of cost and net realisable value. Costs of inventories are determined on a first-in-first-out basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the financial year ended 30 June 2017

Note 2 Revenue

	Year ended 30 June 2017 \$	Year ended 30 June 2016 \$
Donations received		
Regular Donations	90,600	108,174
Significant Donations	221,514	159,370
Rainforest Sq. Meters	2,140	2,510
Orangutan adoptions	96,645	89,308
Virtual gift certificates	3,105	4,630
	414,004	363,992
Fundraising income		
Event income	0	220
Auction income	1,250	0
	1,250	220
Merchandise sales		
	93	1,311
Other revenue		
Membership fees	2,073	1,868
Interest received	814	1,384
	2,887	3,252
Total Revenue	418,234	368,775

Note 3 Expenses

	Year ended 30 June 2017 \$	Year ended 30 June 2016 \$
<u>Direct Expenses</u>		
BOS Indonesia financial support	150,735	244,427
Other Orangutan projects (including Orangutan Enrichment, Sewerage projects, VET equipment)	38,421	48,419
Fundraising expenses	27,483	3,626
Cost of merchandise sold	254	1,578
Marketing costs	1,114	1,759
<i>Total Direct Expenses</i>	218,007	299,809
<u>Other Expenses</u>		
Bank charges, merchant fees and commissions paid	9,021	9,121
Accounting, audit and filing fees	4,060	2,549
Administration	33,719	24,765
Insurance & legal costs	1,735	2,929
Postage, printing, stationery and telephone	5,073	4,216
Travel	1,671	2,041
Website and IT costs	16,420	2,638
All other costs	1	(15)
<i>Total Other Expenses</i>	71,699	48,245
Total Expenses	289,706	348,054

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the financial year ended 30 June 2017

Note 4 Reserves and Accumulated Funds

	2017	2016
	\$	\$
Accumulated Funds		
Accumulated funds brought forward	142,648	121,927
Surplus / (Loss) for the year	128,528	20,721
Total Accumulated Funds	271,176	142,648
Reserves		
Opening balance	0	0
Total Reserves	0	0
Total Equity	271,176	142,648

Note 5 Notes to the Statement of Cash Flow

a) Reconciliation of cash and cash equivalents

	2017	2016
	\$	\$
For the purposes of the Cash Flow Statement, cash and cash equivalents comprise the following at 30 June:		
Cash at bank	266,360	139,093
Total cash and cash equivalents	266,360	139,093

b) Reconciliation of cash flows from operations

Operating surplus / deficit	128,528	20,721
(Increase) / decrease in receivables	(1,400)	(552)
(Increase) / decrease in inventories	139	629
Net cash provided by / (used in) operating activities	127,267	20,798

Note 6 Trade and Other Receivables

	2017	2016
	\$	\$
Current		
Trade receivables	250	110
GST Receivable	2,753	1,493
Current Receivables	3,003	1,603

Note 7 Trade and Other Payables

	2017	2016
	\$	\$
Current		
Trade payables	0	0
Current Payables	0	0

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the financial year ended 30 June 2017

Note 8 Commitments and Contingencies

The Association has neither contingent liabilities nor financial commitments.

Note 9 Related Party Transactions

The Committee are voluntary and receive no compensation for their services on the Committee. There were no loans to committee members. There was one transaction with key management personnel during 2017. Emma Dunphy received \$8,127.50 in her Administration role prior to resigning from this role in 2017. (2016: \$0).

Note 10 Remuneration of auditors

Review of the financial report:

2017	2016
\$1,100	\$1,010

The reviewer of the financial reports of Borneo Orangutan Survival (BOS) Australia for the year ended 30 June 2017 is Quality Financial Solutions Pty Ltd.

DIRECTORS' DECLARATION

The directors declare that the entity 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 Presidents' opinion:

- there are reasonable grounds to believe that the Association will be able to pay all of its debts as and when they become due and payable; and
- the financial statements and notes, thereto are in accordance with the Associations Incorporation Act 2009 and satisfy the requirements of the Australian Charities and Not-for-profits Commission Act 2012 including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Association.

This declaration is signed in accordance with a resolution of the directors made pursuant to subsection 60.15(2) of the Australian Charities and Not-for-profit Commission Regulation 2013.

Tony Gilding

President

Dated this day of

2017

Louise Grossfeldt

Vice President

INDEPENDENT ASSURANCE PRACTITIONER'S REPORT
TO THE MEMBERS OF BORNEO ORANGUTAN SURVIVAL (BOS) AUSTRALIA INCORPORATED

Report on the Financial Report

We have reviewed the accompanying annual financial report, being a special purpose financial report of Borneo Orangutan Survival (BOS) Australia Inc. (the association), which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss or other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the Presidents' declaration.

Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation of the annual financial report that gives a true and fair view in accordance with the requirements of the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act) and the Australian Accounting Standards and the Associations Incorporation Act (NSW) 2009 to the extent noted in Note 1. 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 estimates that are reasonable in the circumstances.

Assurance Practitioner's Responsibility

Our responsibility is to express a conclusion on the financial report based on our review. We conducted our review in accordance with Auditing Standards on Review Engagements ASRE 2415 Review of a Financial Report: Company Limited by Guarantee or an Entity Reporting under the ACNC Act or Other Applicable Legislation or Regulation, in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the financial report does not satisfy the requirements of Division 60 of the ACNC Act including : giving a true and fair view of Borneo Orangutan Survival (BOS) Australia Inc. financial position as at 30 June 2017 and its performance for the year ended on that date; and complying with the Australian Accounting Standards and the Australian Charities and Not-for-profits Commission Regulation 2013 (ACNC Regulation).

ASRE 2415 requires that we comply with the ethical requirements relevant to the review of the financial report.

A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the Australian professional accounting bodies.

Conclusion

**INDEPENDENT ASSURANCE PRACTITIONER'S REPORT
TO THE MEMBERS OF BORNEO ORANGUTAN SURVIVAL (BOS) AUSTRALIA INCORPORATED**

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the annual financial report of Borneo Orangutan Survival (BOS) Australia Inc. does not satisfy the requirements of Division 60 of the Australian Charities and Not-for profits Commission Act 2012 including:

- (a) giving a true and fair view of the Borneo Orangutan Survival (BOS) Australia Inc's financial position as at 30 June 2017 and of its financial performance and cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013 and the Associations Incorporation Act (NSW) 2009.

all material respects, the Borneo Orangutan Survival (BOS) Australia Inc.'s financial position as at 30 June 2017 and of its financial performance and its cash flows for the year then ended on that date in accordance with the Australian Auditing Standards as noted in Note 1 and the financial reporting requirements of the Associations Incorporation Act (NSW) 2009.

Emphasis of Matter

The committee has determined that Borneo Orangutan Survival (BOS) Australia Inc. is a non-reporting incorporation association. The financial report has been prepared in accordance with special purpose reporting framework in order to meet the requirements of the members. Our conclusion is not modified in respect of this matter.

Basis of Accounting

Without modifying our conclusion, we draw attention to Note1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling Borneo Orangutan Survival (BOS) Australia Inc.'s financial reporting responsibilities under the ACNC Act and to meet the requirements of the Associations Incorporation Act (NSW) 2009. As a result, the financial report may not be suitable for another purpose.

Quality Financial Solutions Pty Ltd

David Petersen
Director
Certified Practising Accountants
Eltham,

thisday of2017