

**The Royal Society for the Prevention of
Cruelty to Animals New South Wales**

ABN 87 000 001 641

General Purpose - Financial Statements

30 June 2024

The Royal Society for the Prevention of Cruelty to Animals New South Wales

Contents

Director's Report	3
Auditor's Independence Declaration	9
Consolidated Statement of Profit or Loss and Other Comprehensive Income	10
Consolidated Statement of Financial Position	11
Consolidated Statement of Changes in Equity	12
Consolidated Statement of Cash Flows	13
Notes to the Consolidated Financial Statements	14
Directors' Declaration	31
Declaration by Executive Officer	32
Independent Auditor's Report	33

The Royal Society for the Prevention of Cruelty to Animals New South Wales

Director's Report

For the financial year ended 30 June 2024

The Directors present their report together with the financial report of The Royal Society for the Prevention of Cruelty to Animals New South Wales (the Society) for the financial year ended 30 June 2024 and the auditor's report thereon. In order to comply with the provisions of the Australian Charities and Not-for-profits Commission Act 2012, the Directors report as follows:

1 Directors

The Directors of the Society at any time during or since the end of the financial year are:

	Appointed
Dr Peter Wright, President	22 January 2002
Dr Ian Roth, Vice President	25 March 2017
Mr Mark Steele SC, Vice President, Co-opted Director for 4 years	16 July 2021
Mr Stewart Thompson, Treasurer	8 June 2022
Mr Graham Hall, Director	19 April 1984
Ms Sarah Cruickshank, Director	3 August 2010
Mr Donald Richmond Robinson, Director	30 October 2014
Mr Peter O'Callaghan, Co-opted Director for 4 years	27 February 2023
Ms Mia Steele, Co-opted Director for 4 years	27 July 2020
Ms Margaret Gaal, Director	30 November 2020

Name and responsibilities

Dr P Wright
President

Dr I Roth
Vice President

Qualifications, experience and other directorships

Dr Wright is a veterinarian who runs his own practice at Goulburn, NSW and treats domestic pets, livestock, wildlife and other exotic species. He has a long involvement with animal care groups, including WIRES, and in assisting the region's local RSPCA inspectors.

Dr Roth worked as a veterinarian with the NSW Department of Primary Industries (NSW DPI) for 40 years in biosecurity and animal welfare. He managed the NSW DPI's Animal Welfare Unit and worked closely with RSPCA NSW. Until his retirement in December 2015, he was the Chief Veterinary Officer for NSW. His career successes were recognised with a Public Service Medal for outstanding public service to veterinary science, particularly pertaining to animal welfare and biosecurity in NSW. Dr Roth is the Chair of the Board's Animal Welfare Policy Committee.

The Royal Society for the Prevention of Cruelty to Animals New South Wales

Director's Report (continued)

For the financial year ended 30 June 2024

1 Directors (continued)

Name and responsibilities

Mr M Steele SC

Vice President

Qualifications, experience and other directorship

Mr Steele is a barrister practising in corporate and employment law at the commercial Bar in Sydney. He was appointed Senior Counsel in 2013. Mr Steele has a commerce degree and first-class honours law degree from the University of Melbourne and a master's degree in law from Oxford University. He is currently studying for a PhD in law at Sydney University. Before coming to the Bar in 1995, Mr Steele worked for ten years as an investment banker in London, New York and Sydney. He has been a lifelong supporter of the RSPCA as a donor, foster carer and adopter. In recent years, Mr Steele has assisted RSPCA NSW pro bono on numerous important governance and regulatory matters. Mr Steele is the Chair of the Board's Governance Committee and a member of its Animal Welfare Policy Committee. He is also a Director of RSPCA Australia.

Mr S Thompson

Treasurer

Mr Thompson is a Partner at Hall Chadwick. He has over 30 years of chartered accounting experience and has been a partner in public practice since 2001. He has worked within Big 4 and mid-tier firms providing audit and advisory services. His focus is on the middle market, providing audit and assurance services to a range of clients encompassing corporate and not-for-profit entities. As Treasurer, he is particularly focused on the organisation's financial sustainability. Mr Thompson is also the Chair of the Board's Finance Committee.

Mr G Hall

Director

Mr Hall is a Life Member of RSPCA NSW and has been an RSPCA Board Member since 1984. He is the primary producer and owner of a family property near Young. He breeds Shorthorn cattle.

Ms S Cruickshank

Director

Ms Cruickshank has spent twelve years in Senior Executive roles within both the Commonwealth and NSW Governments. Before joining the Australian Public Service in 2012, she spent ten years as part of a global public relations agency, the last five years of which she was Managing Director of one of its Australian-based companies. Throughout her life, she has been the proud owner of multiple shelter cats and dogs and is passionate about protecting the interests of vulnerable animals in our society. Ms Cruickshank is a member of the Board's Governance Committee.

The Royal Society for the Prevention of Cruelty to Animals New South Wales

Director's Report (continued)

For the financial year ended 30 June 2024

1 Directors (continued)

Name and responsibilities

Mr D Robinson

Director

Qualifications, experience and other directorship

Born in Young in NSW, Mr Robinson had a varied career before joining the NSW Police in 1971. He served in small rural communities across the state for 23 years but resigned to take up the position of Chief Inspector for RSPCA NSW. He served eight years before becoming RSPCA NSW Manager of Branches and Properties. He is keenly interested in all facets of the RSPCA, particularly the branches and their operations. As an RSPCA Australia Farm Assessor, he inspected piggeries accredited under the Approved Farming Scheme. In 2012, Mr Robinson retired to a 60-acre farm in Grenfell in the Mid-West NSW, where he now runs a few cattle and an alpaca. Mr Robinson is a member of the Board's Animal Welfare Policy Committee.

Mr P O'Callaghan

Co-opted Director

Mr O'Callaghan has over 35 years of experience in risk management for not-for-profit organisations, government enterprises and health services, among many others. He is a member of the Australian Institute of Company Directors (AICD) and was awarded the inaugural Certified Public Accountant (CPA) award for outstanding individual contribution to Victoria. As well as serving on the RSPCA NSW Board of Directors, Mr O'Callaghan is currently Chairman of LifeChoice Limited, Director of Uniting Agewell Limited (Vic /Tas) and Chairman of AKC Ltd. Mr O'Callaghan is the Chair of the Board's Audit and Risk Committee and a member of the Board's Governance Committee.

Ms M Steele

Co-opted Director

Ms Steele has supported the RSPCA since childhood. She is a life member and long-term supporter of RSPCA NSW as a volunteer, donor, foster carer and the proud parent of a much-loved terrier cross adopted from Yagoona. Ms Steele has a Masters degree in law from Oxford University and has volunteered with several community organisations for more than 30 years, including as a volunteer teacher with Primary Ethics for 7 years. At RSPCA NSW, Ms Steele has volunteered with the Education Team and assists in fundraising activities. Ms Steele is a member of the Audit and Risk Committee of the Board.

Ms M Gaal

Director

Ms Gaal joined RSPCA NSW in 1981 and is currently the President of our RSPCA Bathurst Branch. Margaret is a life member of RSPCA NSW and brings a wealth of knowledge of the organization. She is the founder of the NSW RSPCA CAWS Program, which commenced in 2003 and completed the RSPCA CAWS Program in Tahiti. Outside of RSPCA NSW, Margaret has sat on various NSW Government Taskforce committees. She is formerly President of the Australian Institute of Local Government Rangers Association and a life member of the Australian Institute NSW Rangers Association.

The Royal Society for the Prevention of Cruelty to Animals New South Wales

Director's Report (continued)

For the financial year ended 30 June 2024

1 Directors (continued)

Name and responsibilities

Mr S Coleman

Company Secretary, CEO

Qualifications, experience and other directorship

Since joining RSPCA NSW in 1991, Steve has held many positions: Inspector, Deputy Chief Inspector, Chief Inspector, Deputy CEO and now CEO. This has significantly assisted in developing his leadership style and approach, with the primary purpose of RSPCA NSW at the core of his development. Steve's tertiary qualifications include a Graduate Diploma in Investigations Management, a Master in Business Administration and is a graduate of the Australian Institute of Company Directors (AICD). Steve has extensive experience in stakeholder management including local, state and federal government, industry and media experience. With many years managing staff (approximately 500), volunteers (approximately 1500) and with a grassroots experience base, Steve is able to guide RSPCA NSW's strategic development and execution.

2 Director's meetings

The number of Director's meetings and number of meetings attended by each of the Directors of the Society during the financial year are:

Director	Board meetings	
	Attended	Entitled
Dr Peter Wright, President	5	6
Dr Ian Roth, Vice President	6	6
Mr Mark Steele SC, Vice President, Co-opted Director	6	6
Mr Stewart Thompson, Treasurer	5	6
Mr Graham Hall, Director	5	6
Ms Sarah Cruickshank, Director	5	6
Mr Donald Robinson, Director	3	6
Mr Peter O'Callaghan, Co-opted Director	6	6
Ms Mia Steele, Co-opted Director	5	6
Ms Margaret Gaal, Director	6	6
Mr Steve Coleman (Company Secretary, CEO)	6	6

3 Principal activities, objectives and strategies

The principal activity of the Society in the course of the financial year was the prevention of cruelty to animals through the activities of the inspectorate and the operation of shelters, clinics, the fostering and adoption of animals and the support of people in need in the care of their animals and the provision of veterinary services.

There were no significant changes in the nature of the activities of the Society during the financial year.

The Royal Society for the Prevention of Cruelty to Animals New South Wales

Director's Report (continued)

For the financial year ended 30 June 2024

3 Principal activities, objectives and strategies (continued)

Short-term objectives and strategies

- Improve animal welfare outcomes for animals in the Society's care;
- Exceed the expectations of supporters in the care and protection of animals;
- Assist with animal care and protection during natural disasters;
- Provide a safe and happy work environment for staff and volunteers;
- Increase income to support the Society's activities; and
- Maintain vigilance in the control of costs.

Long-term objectives and strategies

- Grow our volunteer network;
- Continue focus on cruelty prevention;
- Educate the community on the importance of animal welfare;
- Continuously invest in fundraising;
- Invest in rehoming and reduction in length of stay strategies; and
- Partner with government, local councils and industry for the betterment of animals.

Measures of performance

The financial and operational performance of the Society is monitored by reference to appropriate measures on a monthly basis.

4 Membership liability

The Society is a public company limited by guarantee. There is no liability of any member under the guarantee should the Society be wound up.

5 NSW Charitable Fundraising Act Compliance

The Society has complied with the regulations and provisions under the NSW Charitable Fundraising Act.

6 Subsequent events and likely developments

The Society sold the Katoomba Shelter to the Blue Mountains City Council for a nominal sum on 5 July 2024. The writedown of the Katoomba Shelter property is disclosed in Note 12(a) and Note 17.

Other than the matters discussed above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Group, to affect significantly the operations of the Group, the result of those operations, or the state of affairs of the Group, in future financial years.

The Royal Society for the Prevention of Cruelty to Animals New South Wales

Director's Report (continued)

For the financial year ended 30 June 2024

7 Indemnification and insurance of officers and auditors

Indemnification

Since the end of the previous financial year, the Society has not indemnified or made a relevant agreement for indemnifying against a liability any person who is or has been an officer or auditor of the Society.

Insurance premiums

During the financial year, the Society paid a premium in respect of a contract insuring the directors of the Society, the company secretary and all executive officers of the company and of any related body corporate against a liability incurred as such a director, secretary or executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

8 Lead auditor's independence declaration

The Lead auditor's independence declaration is set out on page 9 and forms part of the Director's report for the financial year ended 30 June 2024.

This report is made in accordance with a resolution of the Directors:



Dr Peter Wright
President



Mr Stewart Thompson
Treasurer

Dated at Sydney this 27th day of September 2024



Auditor's Independence Declaration under subdivision 60-C section 60-40 of Australian Charities and Not-for-profits Commission Act 2012

To the Directors of The Royal Society for the Prevention of Cruelty to Animals
New South Wales

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2024 there have been:

- i. no contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

Patrice Scott

Patrice Scott

Partner

Sydney

27th September 2024

The Royal Society for the Prevention of Cruelty to Animals New South Wales
Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the financial year ended 30 June 2024

<i>In AUD '000</i>	Note	2024	2023
Operating revenue	4(a)	26,115	28,582
Operating expenses	6	(81,253)	(65,886)
(Deficit) before legacies and grants		(55,138)	(37,304)
Legacies and bequests		30,876	26,815
Grants income	4(b)	27,712	7,681
Surplus/(deficit) before finance income		3,450	(2,808)
Finance income		3,579	2,719
Finance expenses		(196)	(175)
Net financing income	5	3,383	2,544
Surplus/(deficit) before income tax expense		6,833	(264)
Income tax expense		(27)	(25)
Surplus/(deficit) for the financial year		6,806	(289)
Other comprehensive income			
Net gain on equity investments at FVOCI		2,157	1,888
Total comprehensive income for the financial year		8,963	1,599

The notes on pages 14-30 are an integral part of these consolidated financial statements.

The Royal Society for the Prevention of Cruelty to Animals New South Wales

Consolidated Statement of Financial Position

For the financial year ended 30 June 2024

In AUD '000

	Note	2024	2023
Assets			
Cash and cash equivalents	7	5,679	15,628
Trade and other receivables	8	3,254	2,429
Inventories	9	621	800
Other assets	10	726	287
Financial assets	11	74	15,533
Assets held for sale	14	6,050	-
Total current assets		16,404	34,677
Financial assets	11	49,084	48,410
Property, plant and equipment	12(a)	81,374	75,693
Intangible assets	12(b)	1,259	1,827
Investment properties	13	16,333	17,228
Right-of-use assets	18	-	34
Total non-current assets		148,050	143,192
Total assets		164,454	177,869
Liabilities			
Trade and other payables	15	4,921	5,975
Provisions	17	10,244	7,135
Deferred income	16	3,626	28,186
Lease liability	18	-	38
Total current liabilities		18,791	41,334
Provisions	17	631	466
Total non-current liabilities		631	466
Total liabilities		19,422	41,800
Net assets		145,032	136,069
Accumulated funds and reserves			
Accumulated funds		137,463	130,657
Reserves	19	7,569	5,412
Total accumulated funds and reserves		145,032	136,069

The notes on pages 14-30 are an integral part of these consolidated financial statements.

The Royal Society for the Prevention of Cruelty to Animals New South Wales

Consolidated Statement of Changes in Equity

For the financial year ended 30 June 2024

In AUD '000

	Revaluation reserve	Accumulated funds	Total
Balance as at 1st July 2022	3,524	130,946	134,470
(Deficit) for the year	-	(289)	(289)
Net gain on equity investments at FVOCI	1,888	-	1,888
Total comprehensive income for the financial year	1,888	(289)	1,599
Balance as at 30th June 2023	5,412	130,657	136,069
Balance as at 1st July 2023	5,412	130,657	136,069
Surplus for the year	-	6,806	6,806
Net gain on equity investments at FVOCI	2,157	-	2,157
Total comprehensive income for the financial year	2,157	6,806	8,963
Balance as at 30th June 2024	7,569	137,463	145,032

The notes on pages 14-30 are an integral part of these consolidated financial statements.

The Royal Society for the Prevention of Cruelty to Animals New South Wales

Consolidated Statement of Cash Flows

For the financial year ended 30 June 2024

In AUD '000

	2024	2023
Cash flows from operating activities		
Cash receipts from members and customers	15,364	17,994
Cash payments to suppliers and employees	(71,381)	(58,096)
Donations received	8,125	8,705
Legacies received ¹	23,046	16,223
Grants	3,153	26,482
Net cash (used in)/from operating activities	(21,693)	11,308
Cash flows from investing activities		
Interest receipts	772	191
Dividends	1,774	1,987
Reinvestment of interest and dividends receipts	(1,955)	(1,690)
Rent received	382	445
Proceeds from sale of investment property	2,650	5,646
Proceeds from sale of property plant and equipment	3,695	3,951
Payments for property plant and equipment and intangible assets	(15,490)	(15,367)
Liquid investments realised/(acquired)	19,916	(7,537)
Net cash from/(used in) investing activities	11,744	(12,373)
Cash and cash equivalents at beginning of year	15,628	16,693
Net decrease in cash and cash equivalents	(9,949)	(1,065)
Cash and cash equivalents at the of the financial year	5,679	15,628

1. The Group receives Legacy income in both cash and non-cash forms. Non-cash bequests may include properties, financial investments, companies and other assets. There may also be a difference in the timing of the receipt of cash compared to the recognition of the bequeathed income.

The notes on pages 14-30 are an integral part of these consolidated financial statements.

The Royal Society for the Prevention of Cruelty to Animals New South Wales

Notes to the Financial Statements

For the financial year ended 30 June 2024

1 Reporting entity

The Royal Society for the Prevention of Cruelty to Animals New South Wales (the "Society") is a public company limited by guarantee. The Society is domiciled in Australia. The address of the Society's registered office is 201 Rookwood Road, Yagoona NSW 2199. The Society is registered under the Australian Charities and Not-for-profits Commission Act 2012.

These consolidated financial statements include the underlying assets and liabilities of the subsidiary companies as disclosed in Note 25. The financial statements are as at and for the financial year ended 30 June 2024.

2 Basis of preparation

(a) Statement of preparation

The consolidated financial statements have been prepared in accordance with Australian Accounting Standard 1060 - Simplified Disclosures adopted by the Australian Accounting Standards Board (AASB) and the requirements of the Australian Charities and Not-for-Profits Commission Act 2012.

The financial statements were authorised for issue by the Board of Directors on 27th September 2024.

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for equity securities at fair value through other comprehensive income (OCI) which are measured at fair value determined by reference to their quoted closing exit bid price at the reporting date.

(c) Functional and presentation currency

These consolidated financial statements are presented in Australian dollars, which is the Society's functional currency. Figures are presented in round thousand dollars unless otherwise stated.

(d) Use of estimates and judgements

The preparation of consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Details of the specific judgement, estimates and assumptions that have the most significant effects on the amounts recognised in the consolidated financial statements are summarised in Note 3(q).

(e) New and amended standards adopted by the Society

A number of other new standards are also effective from 01 July 2023 but they do not have material effect on the Society's financial statements.

(f) Change in classification

The Society reviews the adequacy and effectiveness of reporting classifications from time to time. Material reclassifications are adjusted where appropriate and identified in the notes to the accounts. Prior year figures are adjusted to conform to the classifications used in the current year.

The Royal Society for the Prevention of Cruelty to Animals New South Wales

Notes to the Financial Statements (continued)

For the financial year ended 30 June 2024

3 Material accounting policies

Unless otherwise stated, the accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

(a) Branch accounts

The consolidated financial statements comprise the accounts of the Society, its Subsidiaries and all its Branches. The consolidated financial statements are inclusive of Branch balances at balance date and transactions during the year, after elimination of balances and transactions between Branches and Head Office. A listing of branches is disclosed in note 22(b).

(b) Financial instruments

(i) Recognition and derecognition

Financial assets and financial liabilities are recognised when the Society becomes a party to the contractual provisions of a financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

(ii) Classification and measurement of financial assets

Financial assets are classified according to their business model and the characteristics of their contractual cash flows. Except for those receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transactions costs (where applicable).

(iii) Subsequent measurement of financial assets

Financial assets are not reclassified subsequent to their initial recognition unless the Society changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

For the purpose of subsequent measurement, financial assets, other than those designated and effective as hedging instruments, are classified into the following four categories:

- Financial assets at fair value through profit or loss (FVTPL)
- Financial assets at amortised cost (see below) ;
- Debt instruments at fair value through other comprehensive income (FVTOCI); and
- Equity instruments at FVTOCI (see below)

The accounting policy is set out below:

(a) Financial assets at amortised cost

Financial assets with contractual cash flows representing solely payments of principal and interest and held within a business model of 'hold to collect' contractual cash flows are accounted for at amortised cost using the effective interest method.

Financial assets at amortised costs comprise of cash and cash equivalents, term deposits and trade and other receivables.

(b) Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

The Royal Society for the Prevention of Cruelty to Animals New South Wales

Notes to the Financial Statements (continued)

For the financial year ended 30 June 2024

3 Material accounting policies

(b) Financial instruments (continued)

(iii) Subsequent measurement of financial assets (continued)

(b) Equity investments at FVOCI (continued)

Equity investments at FVOCI are investments in listed and unlisted shares and investments in trusts.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance income and finance expenses, except for impairment of trade receivables which is presented within operating expenses.

(c) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Assets held for sale are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Assets held for sale are valued at the lower of their carrying amount and fair value less costs to sell. Once classified as held for sale, the assets are no longer depreciated.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Society.

(iii) Depreciation

Depreciation is calculated to write off the cost of property, plant and equipment less their estimated residual values using the straight-line basis over their estimated useful lives, and is generally recognised in profit or loss. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Society will obtain ownership by the end of the lease term. Land is not depreciated.

The estimated useful lives for the current and comparative year are as follows:

• Buildings	10 - 40 years, or lease term
• Animal shelters	20 - 50 years, or lease term
• Motor vehicles	5 years
• Plant, furniture and equipment	3 - 10 years
• Intangible assets	4 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(iv) Capital works in progress

Capital works in progress represents expenditure on unfinished capital project.

(d) Intangible

Intangible assets are software in use measured at cost, less accumulated depreciation based on a useful life of 4 years.

The Royal Society for the Prevention of Cruelty to Animals New South Wales

Notes to the Financial Statements (continued)

For the financial year ended 30 June 2024

3 Material accounting policies

(e) Leases

At inception of a contract, the Society assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Society recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date and any initial direct costs incurred.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The lease liability is initially measured at the present value of the lease payments, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, at the Society's incremental borrowing rate. Generally, the Society uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date; and
- lease payments in an optional renewal period if the Society is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Society is reasonably certain not to terminate early.

Short-term leases and leases of low-value assets

The Society has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets or peppercorn leases and short-term leases, including IT equipment. The Society recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(f) Revenue

(i) *Revenue recognition policy from Revenue from Contracts with Customers (AASB15)*

Revenue is recognised at an amount that reflects the consideration for transferring goods or services to a customer.

The timing of the payment of sale of goods and rendering of services generally corresponds to the timing of satisfaction of the performance obligations. Where there is a difference in timing, a receivable, contract asset or contract liability is recognised.

None of the revenue streams of the Society has any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Sale of goods

Revenue from sales of goods comprises revenue earned from the sale of goods purchased for resale and gifts donated for resale. Sales revenue is recognised when the control of goods passes to the customer which is at the time that the goods are physically transferred.

Rendering of services

The Society is involved in the provision of veterinary services and related services. The Society recognises revenue from rendering of services when the services are performed.

The Royal Society for the Prevention of Cruelty to Animals New South Wales

Notes to the Financial Statements (continued)

For the financial year ended 30 June 2024

3 Material accounting policies

(f) Revenue (continued)

- (ii) *Revenue recognition policy for revenue streams which are either not enforceable or do not have sufficiently specific performance obligations (AASB 1058)*

Grant income

Assets arising from grants in the scope of AASB 1058 are recognised at their fair value when the asset is received. These assets are generally cash but may be property which has been donated or sold to the Society below its fair value.

Capital grants

Capital grants received under an enforceable agreement to enable the Society to acquire or construct an item of property, plant and equipment to identified specifications for its use are recognised as revenue as and when the obligation to purchase or construct is met.

Legacies

Legacies are recognised when received or when the Society has been notified of an impending and unconditional entitlement.

Revenue from legacies comprising shares or other property are recognised at fair value, being the market value of the shares or property at the date the Society becomes legally entitled to the shares or property.

Distributions received from testamentary trusts have been reclassified as legacy income; prior years sundry income (2024 \$722,000; 2023 \$348,000).

(g) Fundraising Activities

NSW Charitable Fundraising Act 1991

The Fundraising Regulation prescribe the manner in which fundraising appeals are conducted, controlled and reported in NSW.

Donations:

Donations and Fundraising are recognised as revenue when received by the Society. As specified in the Act, unsolicited donations, members' donations and legacies are not treated as fundraising income when determining information required under the Act.

Costs of fundraising:

Costs used in Note 21 include all direct fundraising costs. Indirect costs such as the time spent by accounting or office staff administering appeals, cost apportionment of rent, light and power, and insurance have been excluded from Note 21.

(h) Deferred income

Deferred income represents the unspent grants or other fees received on the condition that specified services are delivered or conditions are fulfilled. The services are usually provided or the conditions usually fulfilled within twelve months of receipts of the grant. Where the amount received is in respect of services to be provided over a period that exceeds twelve months after reporting date then the liability is disclosed as non-current. The Society realises grant income upon fulfillment of specific obligations in line with the requirements of AASB 1058.

The Royal Society for the Prevention of Cruelty to Animals New South Wales

Notes to the Financial Statements (continued)

For the financial year ended 30 June 2024

3 Material accounting policies

(i) Finance income and expenses

Finance income comprises interest income on funds invested, realised gains or losses, dividend income and distributions that are recognised in profit or loss. Interest income is recognised as it accrues, using the effective interest method. Dividends and distributions are recognised as income when received.

Finance expenses comprise interest expense on borrowings, management fees and impairment losses recognised on financial assets that are recognised in profit or loss. All borrowing costs are recognised in profit or loss using the effective interest method.

(j) Income tax

The Society is an income tax exempt charity endorsed by the Australian Taxation Office (ATO). Its subsidiary company, Hansons Properties Pty Ltd, is liable for income tax.

(k) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in, first-out principle.

(l) Investment property

Investment properties are held to earn rent and/or generate capital appreciation. Where such property is acquired by legacy, investment properties are measured initially at deemed cost being fair value as per note 13, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss.

Depreciation is calculated to write off the cost of investment property less their estimated residual values using the straight-line basis over their estimated useful lives, and is generally recognised in profit or loss. For the buildings, a useful life of 20 years is used in the calculation of depreciation.

(m) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(n) Trade and other receivables

Trade receivables, which comprise amounts due from sales of merchandise and services provided to the public and unconditional amounts owed for work performed under grant agreements are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

(o) Trade and other payables

Trade payables are recognised for amounts to be paid in the future for goods or services received. Trade accounts payable are normally settled within 30 to 60 days.

(p) Employee benefits

A provision is made for the Society's liability for all accrued employee benefits (annual leave and long service leave) as at balance date, together with an allowance for on-costs.

The provision is treated as a current liability, except in respect of long service leave which has not vested and will not vest in the next financial year.

The Royal Society for the Prevention of Cruelty to Animals New South Wales

Notes to the Financial Statements (continued)

For the financial year ended 30 June 2024

3 Material accounting policies

(q) Use of estimates and judgements

The judgements, estimates and assumptions that have the most significant effects on the amounts recognised in the consolidated financial statements are summarised below.

Allowance for expected credit losses

The allowance for doubtful debts is determined by a review of the receivables ledger to assess the likelihood of collecting individual debts, based on all available information.

Estimation of useful lives of assets

The Society determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated.

(r) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(s) Business combination

When the Society receives a bequest of more than 50% of the share capital of a company, the Society recognises an investment in a subsidiary company based on the fair value of the company's net assets. The Society's policy is to conduct an orderly realisation of the net assets of the subsidiary company or of the Society's share in it and to recognise any resulting gain or loss through the income statement. When a subsidiary company is held at balance date, consolidated accounts are prepared in which the underlying assets and liabilities of the subsidiary are recognised, together with a non-controlling interest proportionate to the shareholding of parties other than the Society.

The Royal Society for the Prevention of Cruelty to Animals New South Wales

Notes to the Financial Statements (continued)

For the financial year ended 30 June 2024

4(a) Operating revenue	2024	2023
	\$'000	\$'000
Donations	8,125	8,705
Fundraising	7,541	7,101
Animal service fees	5,038	5,133
Sale of animals	1,569	1,740
Profit on sale of property	1,185	2,980
Sale of goods	817	1,178
Rent	382	445
Court fines and costs	312	417
Royalty	56	38
Membership subscriptions	21	4
Other income	1,069	841
	26,115	28,582
4(b) Grants income		
Department of Planning and Environment - Companion Animal Welfare Grant	20,500	-
NSW Dept of Primary Industries - Inspectorate Services Grants	-	2,924
NSW Dept of Planning, Industry & Environment - Immediate Construction Capital Works Program	3,612	2,728
NSW Environmental Trust - Keeping Cats Safe at Home Grant	889	608
Dept of Primary Industries - Mobile Animal Care Services Grant	659	171
NSW Dept of Premier & Cabinet - Community Building Partnerships Grant	-	437
Non-Government grants	1,734	615
Other grants	318	198
	27,712	7,681
<i>Non-Government grants have increased in materiality and are now included in grants income; prior years sundry income.</i>		
5 Net finance income		
Interest income	772	191
Dividends	1,774	1,987
Realised gains	1,033	541
Finance income	3,579	2,719
Portfolio management fees	(196)	(175)
Finance expenses	(196)	(175)
Net finance income	3,383	2,544

The Royal Society for the Prevention of Cruelty to Animals New South Wales

Notes to the Financial Statements (continued)

For the financial year ended 30 June 2024

6	Operating expenses	2024	2023
		\$'000	\$'000

An analysis of the Society's operating expenses for the year is as follows:

Salaries and wages expenses	40,840	34,475
Defined contribution superannuation plans	4,005	3,311
Administration expenses	10,034	7,688
Fundraising and donation expenses	7,750	5,369
Animal related expenses	6,268	5,552
Repairs and maintenance	1,346	1,156
Purchase of merchandise	573	425
Rent expenses	70	152
Other occupancy expenses	692	555
Depreciation of non - current assets	6,351	5,328
Depreciation of investment properties	100	200
Depreciation of right of use assets	34	34
Bad debts (recoveries)/expenses	(46)	37
Impairment of Katoomba shelter carrying value	1,511	-
Other expenses	1,725	1,604
	81,253	65,886

7 Cash and cash equivalents

Cash at bank and short - term deposits	5,652	15,601
Cash on hand	27	27
	5,679	15,628

8 Trade and other receivables

Trade receivables	1,949	923
Legacies receivable	1,687	1,937
Less: Allowance for doubtful debts	(382)	(431)
	3,254	2,429

Allowance for doubtful debts

Opening balance	431	395
(Recoveries)/impairment losses on receivables	(49)	36
Closing balance	382	431

The average credit period on sale of goods is 30 days. No interest is charged on the overdue trade receivables. Allowances for doubtful debts are recognised against trade receivables based on the estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position.

The Royal Society for the Prevention of Cruelty to Animals New South Wales

Notes to the Financial Statements (continued)

For the financial year ended 30 June 2024

9 Inventories	2024	2023
	\$'000	\$'000
Finished goods	621	800
	<hr/>	<hr/>
10 Other assets		
Prepayments	726	287
	<hr/>	<hr/>
11(a) Financial assets		
Current		
Financial assets at amortised cost	74	15,533
	<hr/>	<hr/>
	74	15,533
	<hr/>	<hr/>
Non-current		
Equity instruments at FVOCI		
Listed shares held at market value	48,262	47,650
Unlisted trusts and shares at market value	822	760
	<hr/>	<hr/>
	49,084	48,410
	<hr/>	<hr/>
11(b) Movements in investments		
Current assets		
Balance at beginning of financial year	15,533	7,160
Transfer (to)/from cash and cash equivalents	(15,870)	15,500
Transfer from/(to) non-current investments	411	(7,127)
Balance at end of financial year	<hr/>	<hr/>
	74	15,533
	<hr/>	<hr/>
Non-currents assets: listed and unlisted securities		
Balance at beginning of financial year	48,410	44,770
Dividends and interest reinvested	1,955	1,690
Management fees	(196)	(175)
Transfer (to) cash and cash equivalents	(4,046)	(7,963)
Transfer (to)/from current investments	(411)	7,127
In specie Legacy income received	181	532
Realised gains	1,034	541
Fair value adjustment at year-end	2,157	1,888
Balance at end of financial year	<hr/>	<hr/>
	49,084	48,410
	<hr/>	<hr/>

The Royal Society for the Prevention of Cruelty to Animals New South Wales

Notes to the Financial Statements (continued)

For the financial year ended 30 June 2024

12(a) Property, plant and equipment

<i>In AUD '000</i>	Capital works in progress	Land and Buildings	Motor vehicles	Plant furniture and equipment	Computer Equipment	Total
Cost						
Balance as at 1 July 2023	7,141	85,746	8,138	8,070	860	109,955
Additions	5,753	1,391	7,109	604	155	15,012
Transfers	(4,766)	4,442	37	264	23	-
Disposals	-	(71)	(4,979)	(558)	(9)	(5,617)
Balance as at 30 June 2024	8,128	91,508	10,305	8,380	1,029	119,350
Accumulated depreciation and impairment losses						
Balance as at 1 July 2023	-	(26,246)	(1,772)	(5,971)	(273)	(34,262)
Depreciation for the year	-	(2,770)	(1,822)	(474)	(238)	(5,304)
Disposals	-	71	1,389	545	9	2,014
Impairment losses	(424)	-	-	-	-	(424)
Balance as at 30 June 2024	(424)	(28,945)	(2,205)	(5,900)	(502)	(37,976)
Carrying amount						
At 1 July 2023	7,141	59,500	6,366	2,099	587	75,693
At 30 June 2024	7,704	62,563	8,100	2,480	527	81,374

The impairment losses of \$424,000 in capital works in progress are related to the Katoomba Shelter property.

12(b) Intangible Assets

<i>In AUD '000</i>	Software in Use	Total
Cost		
Balance as at 1 July 2023	3,196	3,196
Additions	478	478
Balance as at 30 June 2024	3,674	3,674
Accumulated depreciation		
Balance as at 1 July 2023	(1,369)	(1,369)
Depreciation for the year	(1,046)	(1,046)
Balance as at 30 June 2024	(2,415)	(2,415)
Carrying amount		
At 1 July 2023	1,827	1,827
At 30 June 2024	1,259	1,259

The Royal Society for the Prevention of Cruelty to Animals New South Wales

Notes to the financial statements (continued)

For the financial year ended 30 June 2024

13	Investment properties	2024	2023
		\$'000	\$'000
	Cost		
	Balance as at 01 July	18,085	14,512
	Additions	7,900	7,778
	Transfer to assets held for sale	(6,050)	-
	Disposals	(2,690)	(4,205)
	Balance as at 30 June	17,245	18,085
	Accumulated Depreciation		
	Balance as at 01 July	(857)	(852)
	Depreciation for the year	(103)	(206)
	Disposals	48	201
	Balance as at 30 June	(912)	(857)
	Carrying amount		
	Balance as at 01 July	17,228	13,660
	Balance as at 30 June	16,333	17,228
14	Assets held for sale		
	Investment property	6,050	-
	Balance as at 30 June	6,050	-
	The assets held for sale relate to properties bequeathed to the Society and approved for sale.		
15	Trade and other payables		
	Trade payables	3,142	2,637
	Other payables and accruals	1,779	3,338
		4,921	5,975
16	Deferred income		
	Grant funding	3,626	28,186
17	Provisions		
	Other provisions - Current	4,198	1,902
	Employee benefits - Current	6,046	5,233
	Employee benefits - Non-current	631	404
		10,875	7,539

Included in other provisions for 2024 is \$1,077,000 for the impairment of the Katoomba Shelter property.
Also see Note 12(a) for impairment losses related to the Katoomba Shelter property.

The Royal Society for the Prevention of Cruelty to Animals New South Wales

Notes to the financial statements (continued)

For the financial year ended 30 June 2024

18 Right-of-use and lease liability

Operating leases relate to leased land at Yagoona which is held on a peppercorn basis, together with sundry leases for equipment. These leases are for differing terms in accordance with the contractual agreements. The Society does not have an option to purchase the leased assets at the expiry of the lease periods. These leases are regarded as immaterial for the purpose of disclosure in accordance with AASB 16.

Information about other property leases accounted for in accordance with AASB 16 is presented below:

	2024	2023
	\$'000	\$'000
(i) Right-of-use assets		
Cost		
Balance as at 01 July	92	325
Additions	-	44
Disposals	-	(277)
Balance as at 30 June	92	92
Accumulated Depreciation		
Balance as at 01 July	(58)	(262)
Depreciation for the year	(34)	(72)
Disposals	-	277
Balance as at 30 June	(92)	(58)
Carrying amount		
Balance as at 01 July	34	62
Balance as at 30 June	-	34
(ii) Lease liability		
Current	-	38
	-	38
(iii) Amount recognised in profit or loss		
Interest on lease liabilities	-	1
Depreciation of right-of-use assets	34	72

19 Reserves

Reserves	7,569	5,412
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Reserves are balances that relate to unrealised gains or (losses) on equity investments at FVOCI (see note 3(b)(iii)(b)).

The Royal Society for the Prevention of Cruelty to Animals New South Wales

Notes to the financial statements (continued)

For the financial year ended 30 June 2024

20 Capital and other commitments	2024	2023
	\$'000	\$'000
Capital expenditure commitments		
Contracted but not provided for shelters	3,681	3,475

The Society is in the process of a multi-staged re-development. The capital commitments are contracted costs in relation to the re-development.

21 NSW Charitable Fundraising Act

The following additional information is provided in accordance with the requirements of the above Act.

(a) *Fundraising appeals*

Staff, members, volunteers and branches have conducted various fundraising appeals during the year.

Details of aggregate gross income and total expenses of fundraising appeals, as disclosed in these financial statements were as follows:

	2024	2023
	\$'000	\$'000
Gross proceeds from the fundraising appeals		
RSPCA NSW Fundraising		
Donations	8,075	8,634
Fundraising	7,450	7,020
RSPCA NSW Volunteer Branches		
Donations	50	71
Fundraising	91	81
Gross proceeds from fundraising appeals	15,666	15,806
Cost of fundraising appeals		
RSPCA NSW Fundraising	(7,720)	(5,330)
RSPCA NSW Volunteer Branches	(30)	(39)
Total costs of fundraising appeals	(7,750)	(5,369)
Net surplus obtained from fundraising	7,916	10,437

Costs of fundraising appeals noted above includes amongst other things, costs for events and communications with supporters of the Society who may ultimately bequeath assets to the Society. Income from fundraising appeals does not include assets bequeathed by supporters. Legacies and Bequests income is not deemed a fundraising appeal pursuant to the Charitable Fundraising Act. Accordingly, in assessing the return on costs of fundraising appeals, regard should be made to the bequest and legacy income also generated from these activities.

The Royal Society for the Prevention of Cruelty to Animals New South Wales

Notes to the financial statements (continued)

For the financial year ended 30 June 2024

21 NSW Charitable Fundraising Act (continued)

(b) Fundraising appeals conducted during the financial period comprised of appeals, raffles, stalls and social functions.

(c) Statement showing how funds received were applied to charitable purposes

	2024	2023
	\$'000	\$'000
Net surplus from fundraising appeals	7,916	10,437
<i>Net surplus was applied to the charitable purpose in the following manner:</i>		
Inspectorate, Contact Centre & Legal Costs	(1,309)	(7,101)
Animal Shelters, Transportation & Behaviour	(20,837)	(19,010)
Veterinary Clinic Services	(6,569)	(6,779)
Community Programmes & Engagement	(6,278)	(5,339)
Bushfire recovery	(174)	(221)
Indirect Costs	(4,405)	(5,164)
Branches	(86)	(347)
	(39,658)	(43,961)
Shortfall	(31,742)	(33,524)

22 Related parties

(a) Transactions with key management personnel (KMP)

(i) KMP and Directors compensation

During the financial year the Society has not compensated or agreed to compensate any Director of the Society.

The KMP compensation was \$1,058,175 for the financial year ended 30 June 2024 (2023: \$992,016). In addition post employment benefits (superannuation contributions) amounted to \$107,746 for the financial year ended 30 June 2024 (2023: \$97,348).

No termination benefits/entitlements were paid to the KMP in the year (2023: nil).

There are no contractual termination benefits in respect of any employee.

(ii) KMP and Director transactions

The Society may engage the services of Directors to provide their professional services at arm's length rates of remuneration. No services were provided during the financial year ended 30 June 2024.

No amount was owed to any Director as at 30 June 2024 (2023: nil).

Transactions between the Society and its KMP arising in the ordinary course of business have been conducted on an arm's length basis.

The Royal Society for the Prevention of Cruelty to Animals New South Wales

Notes to the financial statements (continued)

For the financial year ended 30 June 2024

22 Related parties (continued)

(b) Branches

Albury	Orange
Bathurst	Port Macquarie
Blue Mountains	Snowy Monaro Supporter Group
Broken Hill Supporter Group	Sydney Auxiliary
Central West Supporter Group	Tamworth
Eurobodalla	Taree Supporter Group
Glen Innes Supporter Group	Tenterfield
Goulburn Supporter Group	Tweed Op-Shop
Gunnedah	Ulladulla
Illawarra	Wagga Wagga
Inverell	
Kempsey	
New England Supporter Group	

23 Contingent liabilities

In the ordinary course of operations, the Society receives claims against it which may involve litigation. Where the outcome is probable and can be reasonably quantified, provision is made in these financial statements.

24 Subsequent events

The Society sold the Katoomba Shelter to the Blue Mountains City Council for a nominal sum on 5 July 2024. The writedown of the Katoomba Shelter property is disclosed in Note 12(a) and Note 17.

Other than the matters discussed above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Group, to affect significantly the operations of the Group, the result of those operations, or the state of affairs of the Group, in future financial years.

The Royal Society for the Prevention of Cruelty to Animals New South Wales

Notes to the financial statements (continued)

For the financial year ended 30 June 2024

25 Parent entity financial information

The Society is the parent entity and has ownership and control of the following entities:

Name	% Owned	Principal Activity
Hansons Properties Pty Ltd (ABN 67 000 382 721)	100%	Commercial Property Investment
RSPCA NSW Software Pty Ltd (ABN 95 674 030 347)	100%	Commercialisation of Software

The following information below are the financial results of the parent entity alone:

Result of parent entity	2024	2023
	\$'000	\$'000
Surplus/(deficit) for the financial year	6,744	(302)
Other comprehensive income	2,157	1,888
Total comprehensive income for the financial year	8,901	1,586

Financial position of the parent entity at period end

Current assets	16,274	34,565
Non-current assets	149,399	144,538
Total assets	165,673	179,103
Current liabilities	20,201	42,760
Non-current liabilities	631	404
Total liabilities	20,832	43,164

Total equity of the parent entity

Revaluation reserve	7,569	5,411
Accumulated funds	137,272	130,528
Total equity	144,841	135,939

26 Remuneration of auditors

Audit services	83	81
Assurance and other services	22	13
Total remuneration	105	94

27 Classification changes

Certain comparative amounts in the consolidated statement of profit and loss and other comprehensive income and the consolidated statement of financial position have been re-presented as follows:

- testamentary trusts being reclassified as legacies and bequests from operating revenue (see note 3(f)(ii));
- non-government grants being reclassified as grants income from operating revenue (see note 4(b)); and
- other payables and accruals of \$1,902,000 (2023) related to a range of estimated employee, legal and supplier future obligations being reclassified as provisions as their nature is better aligned with this accounting classification (see notes 15 and 17).

The Royal Society for the Prevention of Cruelty to Animals New South Wales

Directors' declaration

In the opinion of the directors of The Royal Society for the Prevention of Cruelty to Animals New South Wales ('the Society'):

- (a) the Society is not publicly accountable;
- (b) the consolidated financial statements and notes that are set out on pages 10 to 30 are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:
 - (i) giving a true and fair view of the Society's financial position as at 30 June 2024 and of its performance, for the financial year ended on that date;
 - (ii) complying with Australian Accounting Standards – Simplified Disclosure and the Australian Charities and Not-for-profits Commission Regulation 2022; and
- (c) there are reasonable grounds to believe that the Society will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:



Dr Peter Wright
President



Mr Stewart Thompson
Treasurer

Dated at Sydney this 27th day of September 2024

The Royal Society for the Prevention of Cruelty to Animals New South Wales
Declaration by Executive Officer in accordance with the Charitable Fundraising
Act (NSW) 1991

For the year ended 30 June 2024

I, Peter Wright, President of The Royal Society for the Prevention of Cruelty to Animals New South Wales,
state that in my opinion:

- (a) the consolidated financial report gives a true and fair view of all income and expenditure of
The Royal Society for the Prevention of Cruelty to Animals New South Wales with respect to
fundraising appeal activities for the financial year ended 30 June 2024;
- (b) the consolidated statement of financial position gives a true and fair view of the state of affairs
with respect to fundraising appeal activities as at 30 June 2024;
- (c) the provisions of the Charitable Fundraising Act 1991 and Regulations and the conditions attached
to the authority have been complied with for the financial year ended 30 June 2024; and
- (d) the internal controls exercised by The Royal Society for the Prevention of Cruelty to Animals
New South Wales are appropriate and effective in accounting for all income received and applied
from any fundraising appeals.



Dr Peter Wright
President

Dated at Sydney this 27th day of September 2024



Independent Auditor's Report

To the members of The Royal Society for the Prevention of Cruelty to Animals - New South Wales

Report on the audit of the Financial Report

Opinion

We have audited the **Financial Report**, of the The Royal Society Prevention of Cruelty to Animals New South Wales (the Society) and its controlled entities (the "**Group**").

In our opinion the accompanying Financial Report of the **Group** is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, and sections 23(1)(d) and 24B of the *Charitable Fundraising Act (NSW) 1991* including:

- giving a true and fair view of the **Group's** financial position as at 30 June 2024, and of its financial performance and its cash flows for the year ended on that date; and
- complying with *Australian Accounting Standards - Simplified Disclosures Framework* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022 (ACNCR)* and section 21 of the *Charitable Fundraising Regulation (NSW) 2021*.

The **Financial Report** comprises:

- I. Consolidated statement of financial position as at 30 June 2024.
- II. Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended.
- III. Notes including material accounting policies.
- IV. Directors' declaration of the Society.
- V. Declaration by the President of the Society.

The **Group** consists of Society and the entities it controlled at the year-end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Group in accordance with the auditor independence requirements of the *ACNC Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Other information

Other Information is financial and non-financial information in Society's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

The Other Information we obtained prior to the date of this Auditor's Report was the Director's Report.

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. In doing so, we 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.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- I. Preparing the Financial Report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosures Framework and the ACNC and ACNCR and sections 23(1)(d) and 24B of the *Charitable Fundraising Act (NSW) 1991* and section 21 of the *Charitable Fundraising Regulation (NSW) 2021*
- II. Implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
- III. Assessing the Group's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- i. to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- ii. 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 *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 *Australian Auditing Standards*, we exercise professional judgement and maintain professional scepticism throughout the audit.

We also:

- i. 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.
- ii. 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 Group's internal control.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- iv. 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 Group and Society'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 Group and Society to cease to continue as a going concern.
- v. 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.

We communicate with the Directors of the Group 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.

KPMG

KPMG

Patrice Scott

Partner

Sydney

27 September 2024