

A black and white photograph of two quolls in a natural, brushy environment. One quoll is in the foreground, looking towards the left, while another is slightly behind it, also looking left. The quolls have thick, coarse fur and dark eyes.

FAUNE

SAVING OUR ENDANGERED FLORA & FAUNA

Annual Report

2016/17

Acknowledgement of Traditional Owners and Country

The Foundation for Australia's Most Endangered Species Ltd (FAME) acknowledges the traditional owners of country throughout Australia and their continuing connection to land, sea and community.

We pay our respects to them and their cultures and to their elders both past and present.

Every effort has been made to ensure the accuracy of the 2016/17 Foundation for Australia's Most Endangered Species Ltd Annual Report.

We apologise if any omissions or errors have occurred. If you discover an error or omission, please notify the Chief Executive Officer, Tracy McNamara at tracy.mcnamara@fame.org.au

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North Adelaide 5006, SA
08 8374 1744

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¹ Vision, Mission & Core Values

Vision

Our vision is to prevent any further extinction of Australian flora and fauna.

Mission

FAME is the only organisation dedicated to helping Australian species most at risk of extinction. FAME seeks to fund on-ground conservation outcomes with a focus on seed-funding and innovation.

Core Values

- Commit to conservation and environmental issues.
- Embrace open transparency at all times.
- Display strong, clear corporate governance.
- Maintain inclusiveness with all stakeholders and donors.
- Respect the culture of Indigenous Australians.

² Board Members

(for the year ended 30 June 2017)

Directors

Chris Chapman
President

Tim Rogers
Deputy President

Diana Beal
Finance Director

Elizabeth Davis

Fred Ford

John Hender

Bruce Jackson

Peter Kay

Margaret Wilksch,
OAM

Michael J Willson,
AM KSJ

Management

Tracy McNamara
Chief Executive Officer

Angela Richardson
Finance Manager

3 Current Projects



Feral Cats

Safeguarding our fauna from feral cats.
(Australia)



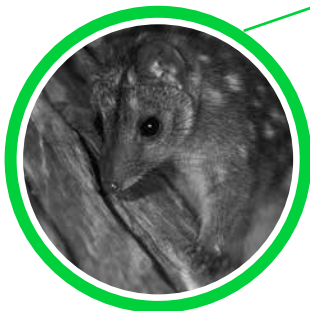
PhD

Supporting a PhD research study for the conservation of Australian wildlife.
(Australia)



Numbat

Protecting the last remaining wild populations of Numbats.
(Dryandra, WA)



Western Quoll

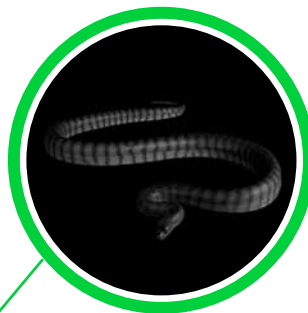
The re-introduction of the Western Quoll into the Inkara-Flinders Ranges National Park.
(Flinders Ranges, SA)



Brush-tailed Possum

The re-introduction of the Brush-tailed Possum into the Inkara-Flinders Ranges National Park.
(Flinders Ranges, SA)





Project Wild_

Creating awareness of the plight of Australia's Most Endangered.

(Queensland)



Long-nosed Potoroo

Build a robust insurance population of the Long-nosed Potoroo.

(Barrington Tops, NSW)



Eastern Bettong

Build a robust insurance population of the Eastern Bettong.

(Barrington Tops, NSW)



Southern Brown Bandicoot

Build a robust insurance population of the Southern Brown Bandicoot.

(Barrington Tops, NSW)



Tasmanian Devil

Saving the Tasmanian Devil from extinction.

(Barrington Tops, NSW)

4 Chairman's Report

Fellow FAME Conservationists: while the year before last was very challenging, I'm pleased to report that last year, under the direction of your Board and the excellent management of FAME's new CEO, Ms Tracy McNamara, the Company has made significant, important progress in achieving its mission of undertaking native wildlife conservation (NWC).

As we all know, there are a number of organisations in Australia focused on NWC. Some are excellent and acknowledged by FAME, such as Australian Wildlife Conservancy (today successfully managing feral-free sanctuaries established by Earth Sanctuaries with funds from ESL's shareholders and FAME donors), Bush Heritage, Devil Ark, to name only a few. Unfortunately there are other organisations collecting money from the public under false pretences with little or nil investment in NWC. I encourage you to choose carefully which organisations you will support with your donations and your bequests.

In 2016/17 FAME has allocated monies received as follows:

- 80% of all monies received invested back into conservation projects.
- 20% of all monies received spent on administration and fundraising (e.g. fundraising, accounting, legal compliance with ASIC/ACNC requirements and the like).

Your Board is proud of this outcome and thanks the CEO for this achievement. Projects for the fiscal year of significance include:

- 1. South Australian Western Quoll and Brush-tailed Possum Project:** involving their re-introduction to the South Australian Ikara-Flinder's Ranges National Park in partnership with the SA Department of Environment, Water and Natural Resources (DEWNR) and WA Department of Parks and Wildlife (DPaW). This Project's managers advise promising progress, which is better than expected.

- 2. National Cat Management:** FAME, in conjunction with the Ian Potter Foundation, invested funds into the Optimising Felixer, a feral cat management device developed by Dr John Read. The investment has seen the a new prototype version developed and performing well.

- 3. New South Wales Devil Ark Project:** now being incorporated into a much bigger project called Aussie Ark, focused on saving six endangered NSW species, in addition to the Tasmanian Devil. These species will be bred in feral-free areas, in a semi-wild environment as an insurance population with the hope of eventual release.

- 4. Western Australian Numbats Project:** The Board also agreed to invest in a ground-breaking project, partnering with the Australian Government to save the Western Australian Numbat. Your Board is investing in a project in the Dryandra Woodland (SE of Perth) in partnership with the Department of Biodiversity, Conservation and Attractions (DBC&A) involving persons who can provide dogs trained to locate feral cats in three national parks for professional euthanasia, on a cost-effective basis.

Bequests: these are a significant source of funds that assist FAME deliver on its mission of NWC. FAME has recently received a significant gift from the estate of the late Dr Lee. Please consider FAME for a bequest when you are preparing or updating your will.

If you'd like to provide a gift in your will to FAME or, if you already have a will, please consider executing a codicil to your existing will, to leave a gift to FAME, to assist it maintain its support for NWC projects after you have left us. If you'd like professional assistance making a gift in your will or in the preparation of a codicil to your already existing will, please contact the CEO, Ms Tracy McNamara by email at: tracy.mcnamara@fame.org.au or by telephone at: 08 8374 1744 who will arrange that assistance at no cost to you.

Shares listed on the Australian Stock Exchange: many of FAME's donors hold listed equities. The FAME Board has developed a process to enable you to pledge the income and/or the capital gain from a parcel of your shares while you retain full ownership and control of those shares. You will receive from FAME an income tax-deductible receipt for each donation. If you'd like to consider this proposal please contact the CEO, Ms Tracy McNamara by email at: tracy.mcnamara@fame.org.au or by telephone at: 08 8374 1744 and request FAME's "Agreement to Donate Returns from Shares to FAME" form. Some of FAME's directors are already participating in this arrangement.

Native Wildlife Conservation (NWC) ideas and suggestions: as a FAME stakeholder you are obviously passionate about NWC. Your Board welcomes your suggestions on NWC issues of concern to you. Of course it's not possible to act on all suggestions, but as your issues of concern and possible solutions are of interest to your Board, please share them with your Board via the CEO at: tracy.mcnamara@fame.org.au

Your Board is consciously targeting NWC projects that result in multiple native species benefiting from FAME's investment of its limited funds.

For example; the WA Numbat Project in the Dryandra Woodland is made up of scattered blocks amongst agricultural land; it totals in size at 28k hectares and consists of jarrah forest, tall open eucalyptus woodlands and low, dense heathlands with over 500 native plant species. Dryandra also supports a rich assemblage of native fauna. This native fauna has been adversely impacted by extensive land clearing and exotic, feral pest species, in particular feral cats.

Although the Numbat (Walpurti) (Banded Anteater) is the primary name allocated to this project, there are 14 other threatened native species that will be collateral beneficiaries should this project prove successful. These species include: Woyle (Brush-tailed Bettong), Chuditch (Western Quoll), Quenda (Southern Brown Bandicoot), Malleefowl, Kennngoor (Red-tailed Phascogale), Lesser Stick-nest Rat, Carnaby's Cockatoo, Western Spiny-tailed Skink, Western Mouse, Tammar Wallaby.

Aussie Ark/Devil Ark: in the NSW Barrington Tops (near Scone) where the "Devil Ark", now "Aussie Ark", has been established for over 5 years. Aussie Ark is a 500 hectare facility in the NSW Central Hunter Region heavily threatened highland basalt soil habitat at an elevation of 900-1200 metres, an ecological area under threat of disappearing permanently.

Aussie Ark is a significant feral-free enclosure dedicated to establishing, in wild conditions, insurance populations

of six NSW endangered mammals alongside the successful insurance population of Tasmanian Devils. These include the Eastern Quoll, Brush-tailed Rock Wallaby, Long-nosed Potoroo, Southern Brown Bandicoot, Rufus Bettong and Parma Wallaby. Those insurance populations will be suitable for translocation to other sites in NSW for re-wilding, under the oversight of NSW National Parks and Wildlife Service.

FAME was a founding partner of Devil Ark, which has a breeding population of Devils free from facial tumour disease. From this population, 40 Tasmanian Devils have been reintroduced to the wild in Tasmania, to assist in the re-establishment of the species.

Thank you: FAME is nothing without the extraordinary effort of many, including:

1. the CEO and staff; FAME does not have a large staff, the CEO, Tracy McNamara, is the only FT member of staff. FAME's staff achieves outstanding results for the Company. On behalf of the Board and all stakeholders I sincerely thank them for their efforts.
2. the FAME Board; I thank my fellow directors for their efforts during the past year. I note that all directors are volunteers. Albeit as a Board we don't agree on all matters before the Board, discussion is conducted in an open, frank, forthright, courteous manner with decisions taken by consensus and respected by all members. I sincerely thank all directors for their respective contributions in the past financial year, some provided at short notice and under pressure.



Christopher Chapman
Chairman, FAME Board
November 2017

5 CEO Report

This year the Foundation, in alignment with its Strategic Plan, has grown through an increase in donor engagement particularly in the area of new donors cultivation and supporting partners. Due to this growth, we were able to fund four projects across Australia whilst continuing our historical commitments with the reintroduction of the Western Quoll and Brush-tailed Possum to the Ikara-Flinders Ranges.

The 2016/17 fiscal year ended with our income of \$672,778.12. Although a loss of \$53,767.65 is reflected, the Board's commitment to Australian Wildlife Conservation saw a pecuniary decision made to draw upon investment funds to support conservation projects not budgeted for including Optimising Felixer, a Devil Ark campaign and additional programs supporting the reintroduction project in the Flinders Ranges in relation to feral cat management.

During the fiscal year, we continued our seed-funding of on-ground conservation projects by supporting the research in relation to 'Optimising Felixer' in conjunction with the Ian Potter Foundation, a project with an outcome which will have a major impact on feral management within Australian Wildlife Conservation. We also supported the research into feral control through the use of a population-protecting implant (PPI).

We have come to believe that sadly, there is no point to it if, shortly after release, the Quoll, Possum or any endangered species simply becomes prey for a feral cat. That's why successful conservation of threatened native wildlife requires a comprehensive program that addresses every element of a complex challenge, including management of feral predators, foxes and cats. As part of our ongoing commitment to Australian Wildlife Conservation, FAME continues to support research into methods that in essence, become important assets in a toolbox, designed to address this dilemma.

Our core business of supporting conservation of endangered species continued, and we have provided support for a range of important and inspiring projects.

This will continue to increase in 2017/18 with funding to be provided into a research project to ascertain the effective use of detector dogs in WA to save the last remaining population of wild Numbats; building a robust insurance population of three (3) species at Aussie Ark, with the eventual outcome of rewilding; and the supporting of a visual project to build awareness of our precious Australian fauna, to name but a few.

Our strong track record of success is in essence a result of our articulate and well-researched analysis, good governance and extensive knowledge of conservation, applied to every project presented to the Foundation.

In addition to conservation projects, our milestones this fiscal year are far spread including:

- Provided funding for the Cane Toad.
 - Continued financial commitment (in partnership with the Department of Environment, Water and Natural Resources – DEWNR) for the re-establishment of the Western Quoll and Brushtail Possum as well as Land Restoration within the Flinders Ranges – 2016/2017 commitment.
- The majority of funds donated to FAME were directed to these translocations and related activities.
- Provided fundraising support for the continued research for feral cat control – Optimising Felixer.
 - Supported a PhD study into Feral Control Research through the "use of Toxic Implant against feral cats to protect reintroduce Australia native fauna".
 - Purchased a Spray Coater to enable effective production on implants.
 - Devil Ark Crowdfunding campaign for operational infrastructure.

On an operational level, the Foundation saw many changes including a move of premises, audit of our financial processes to ensure we remain operationally agile, streamlining of our philanthropic offering by broadening the scope and capacity for our donors and stakeholders to engage and support projects from around the country, and developing a strong marketing and communications strategy that aligns with the Foundation's strategic plan. In addition and with the assistance of Welbourn O'Brien we reinvigorated our brand to provide a more contemporary look early in 2017 which included a new user-friendly website and greater social media presence to expand our reach and share information about Australian Wildlife Conservation. We now engage with thousands of supporters across Australia on four different platforms. Supporter numbers continue to grow at a rapid pace, which has seen a correlation with more donors giving online to the Foundation than ever before.

Since FAME's establishment in 1993 the majority of funding has been generously provided by individual donors. The sum of the impact of this, for the Foundation, is depicted in the impact statement on the opposite page. These results would not have been achieved without the financial support of each and every single one of you. **For that we say thank you.**

I offer my heartfelt thanks to every one of you, regardless of the size of your gift.

As a general rule around 80% of income for most Australian non-profits is from individual donations, and FAME is no exception.

Philanthropy – the generosity of people like you and me – makes all FAME's projects possible.

At the core of our mission, we are driven to save Australia's precious flora and fauna. As we continue to create awareness by bringing the fate of these species to the forefront, we can only hope that the current state of play improves. By achieving conservation success, as a community, we can work towards halting the rate of extinction of Australian flora and fauna.

At FAME, we believe, together, it can be done.

Sincere thanks goes to my trusted hard-working team – you have continued this journey with passion, dedication and persistence. For this I am extremely thankful.

I also gratefully acknowledge the work and support of the FAME Board, and their continual guidance and counselling as we build the Foundation and achieve the goals established in our Strategic Plan.

Finally and most importantly, once again, I would like to thank all our donors and stakeholders – it has been a pleasure and a privilege to represent FAME's vision and mission on your behalf.

Tracy McNamara

Tracy McNamara
Chief Executive Officer, FAME
November 2017

⁶ Your Impact 2016/17



In 2016/2017 you gave
\$672,778



An increase of
21.5%
on the previous year



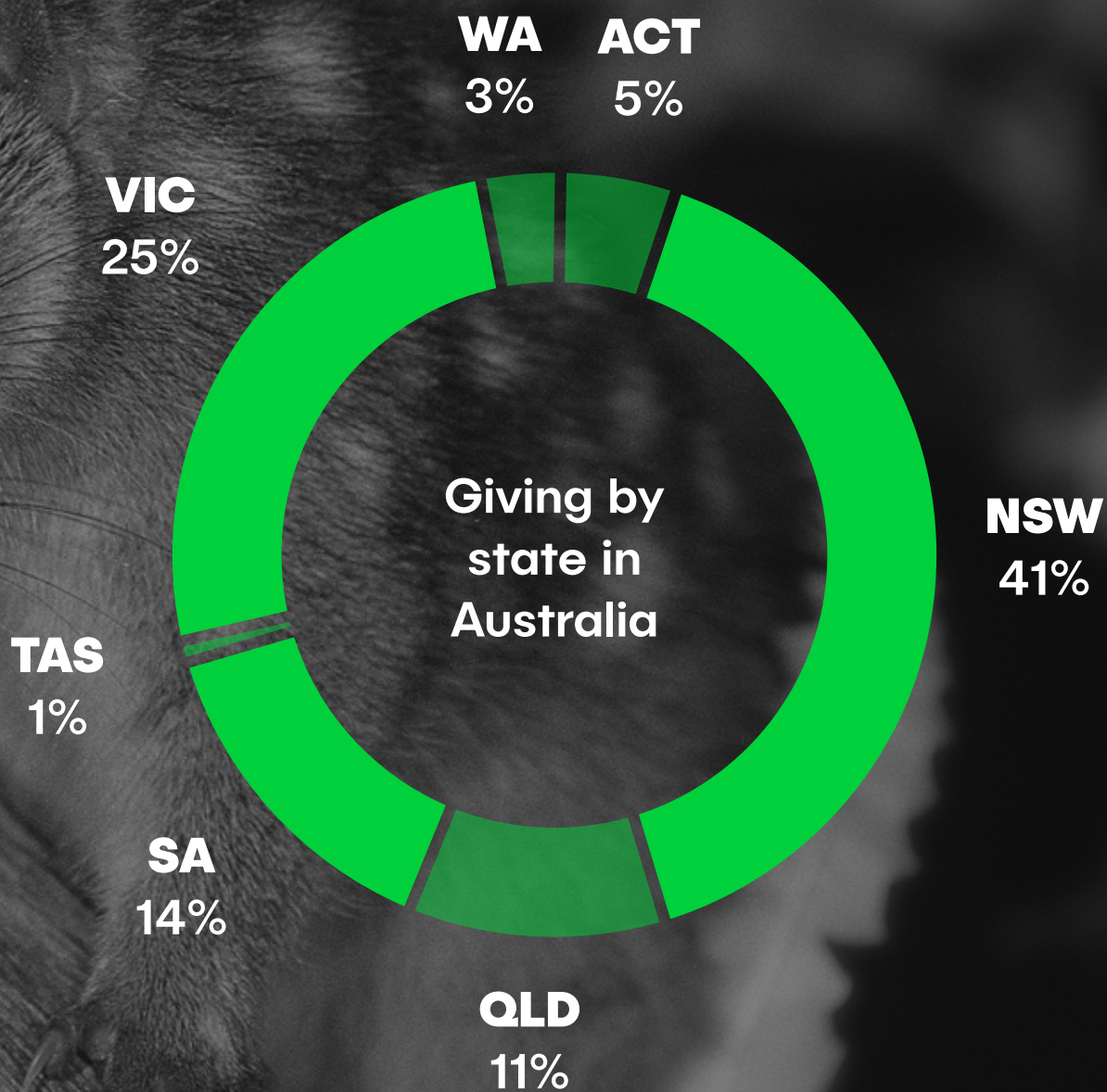
Individual donations
2873



Projects we have funded
5



Donations received from
5 Countries



Since 1993, with your help we have successfully completed

23 Projects

7 Financial Statements

(for the year ended 30 June 2017)





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DIRECTORS' REPORT

Your Directors present this Report on the Company for the financial year ended 30th June, 2017.

Directors:

Details of Company Directors in Office during the financial year and until the date of this Report are as listed below. Each Director was in Office for this entire period, unless otherwise stated.

Name: Chapman, C. M.

Qualifications: Barrister & Solicitor: NSW, High Court of Australia (Full Practicing Certificate NSW)

Experience: Board Member since 2011

Special Responsibilities: President, Finance Committee, Gift Fund Committee

Name: Rogers, T. J. G.

Qualifications: Farmer, Architect, Businessman
BA Architecture; BA Arts; BA Environmental Design

Experience: Board Member since 2011

Special Responsibilities: Vice President
Finance Committee

Name: Jackson, B. M.

Qualifications: Environmental Consultant
DipT

Experience: Board Member since 2011

Name: Hender, J. A.

Qualifications: Financial Planner
Dip. Marketing; Cert Aboriginal Studies; (currently completing Post-grad Masters in Aboriginal Studies); Dip Superannuation M'mnt; Dip. Fin. Planning; Dip Insurance; Grad AICD ie GAICD

Experience: Board Member since 2012

Name: Wilksch, M. A. OAM

Qualifications: Company Director; Land Manager; Consultant

Experience: Board Member since 2011

Special Responsibilities: Gift Fund Committee, Finance Committee

Name: Beal, D. J.

Qualifications: Finance Academic (Retired), B.Econ, B.Com, Grad. Dip. Forest Science, M. Phil, PhD (Economics).

Experience: Board Member since 2012

Special responsibilities: Finance Committee

Name: Ford, F. D.

Qualifications: Conservation Biologist, PhD (Evolutionary Ecology), BSC Hons.

Experience: Board Member since 2012

Name: Willson, M. J. AM, KSJ

Qualifications: Company Director (Retired)

Experience: Finance Committee, Gift Fund Committee
Board Member since 2011.

Special responsibilities: Company Secretary

Name: Davis, E.M.

Qualifications: Fund Development Consultant

Board Member since 2015.

Company Secretary:

The position of Company Secretary at the end of the financial year was held by:

Name: Willson, M.J. AM, KSJ

Qualifications: Company Director (Retired)

Experience: Finance Committee, Gift Fund Committee.
Board Member since 2011.

Dividends:

The Foundation for Australia's Most Endangered Species Ltd is a Company limited by guarantee and does not pay dividends.

Principal Activities:

During the course of the year, principal activities were to:

- i. Identify conservation projects suitable for support according to the aims & objectives of the Company;
- ii. Raise funds from its constituency and apply those funds in support of projects deemed by the Directors and the Gift Fund to be appropriate according to the aims & objectives of the Company;
- iii. Produce and distribute printed and electronic material for the purpose of educating the donor constituency of the Company & the general public;
- iv. Undertake relations with national and state wildlife workers & organisations;
- v. Undertake relations with national and state policy, advocacy & government conservation networks.

During the financial year, no significant changes occurred in the nature of the Company's principal activities, as listed above.

Operating Results:

The Company invested more than it raised during the 2016-2017 Financial Year in its above-mentioned principal activities and this resulted in a **deficit** of \$53767.65.

Review of Operations:

Overall operations of the Company this financial year remained broadly consistent with the 2015-16 financial year. A Strategic Plan covering the period 2017-2020 has been developed and approved by the Board. The Plan defines the Company's Mission, Vision and Core Values with priorities and

objectives designed to consolidate the Company's achievements, strengthen its position for the future and expand its role.

During 2016-2017, funding was provided for the following Projects:

- i. Continued financial commitment (in partnership with Department of Environment, Water and Natural Resources – DEWNR) for the re-introduction of the (previously) locally extinct Western Quoll (*Dasyurus geoffroii* or *Idnya*) and Brush-tailed possum, along with land restoration and extra funding for feral management, in the Flinders Ranges of South Australia \$172,100;
 - ii. Funded purchase of a "Sprayer Coater" for pelletised delivery of toxin to control feral animals \$21,700;
 - iii. Provided a further \$10,000 towards Cane Toad eradication research;
 - iv. Provided support for continued development and testing of the "Felixer" feral cat control product \$215,000;
 - v. Provided \$10,000 funding to "Devil Ark" towards their efforts in maintaining the safety population of Tasmanian Devils.
-

Significant Changes in the State of Affairs:

No significant changes have occurred.

After Balance Date Events:

Following balance date, no events of material significance occurred.

Environmental Regulations and Performance:

The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or a State or Territory.

Share Options:

Share Options are not granted as the Company is limited by Guarantee.

Indemnifying Officers or Auditor:

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

- ✓ The Company has paid premiums to insure each of the Directors against liability for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director of the Company, other than conduct involving a wilful breach of duty in relation to the Company.
- ✓ The amount of the premium for all Directors was \$2759.

Proceedings on behalf of the Company:

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervened in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

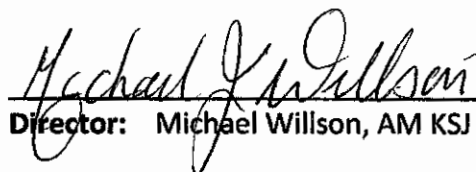
Auditor's Independence Declaration:

The Auditor's independence declaration for the financial year ended 30th June, 2017 has been received.

Signed in accordance with a resolution of the Board of Directors:



Director: Diana Beal



Director: Michael Willson, AM KSJ

X Dated this 24th day of November, 2017

LEAD
AUDITOR'S INDEPENDENCE DECLARATION
(under Section 307C of the Corporations Act 2001)

To the Directors of:

Foundation for Australia's Most Endangered Species Ltd

I declare that, to the best of my knowledge and belief, in relation to the Audit for the Financial Year ended 30th June 2017, there have been:

1. No contraventions of the Auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

Yours faithfully,



Lee Harradine
Partner
Harradine & Norris-Green
Chartered Accountants
Unley, SA

Dated: 15th of November , 2017

STATEMENT OF COMPREHENSIVE INCOME

	* Note	For year ended 30 th June, 2017	For year ended 30 th June, 2016
Income		668298	548017
Less Operating Expenditure			
Fundraising & Campaign Support	16	93309	77747
Species Conservation		428800	301970
Environmental Advocacy	15	39565	32853
Environmental Education		15020	18480
Other Expenses	17	26376	32853
Administration	14	123476	100587
Results from Operating Activities		(58248)	(16473)
Finance Income		4480	5892
Net Finance Income		4480	5892
Profit/ (Loss) before Income Tax		(53768)	(10581)
Income Tax Expense		0	0
Profit/(Loss) for the year		(53768)	(10581)
Other Comprehensive Income		0	0
Total Surplus/(Deficit) for the year		(53768)	(10581)

* **Note** – Section 8 (pp15-23) in this Report titled '*Notes to the Financial Statements*' is an integral part of these financial Statements

STATEMENT OF INCOME

INCOME FROM ORDINARY ACTIVITIES

	For year ended 30 th June 2017	For year ended 30 th June 2016
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Donations & Bequests	141033	181324
Campaign & Projects	515415	360666
Memberships	11850	6027
Interest and Dividends Received	4480	5892
	672778	553909

EXPENDITURE ORDINARY ACTIVITIES

Administration	123476	100587
Environmental Advocacy	39565	32853
Environmental Education	15020	18480
Fundraising & Campaign Support	93309	77747
Species Conservation	428800	301970
Other Expenses	26376	32853
	726546	564490

PROFIT (LOSS) FROM ORDINARY ACTIVITIES

	(53768)	(10581)
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STATEMENT OF FINANCIAL POSITION

	As at 30 th June, 2017	As at 30 th June, 2016
Cash & Cash Equivalents	220523	322437
Trade & Other Receivables	3500	0
Total Current Assets	224023	322437
Buildings, Plant & Equipment	0	0
ASX Shares	51065	45264
Intangible Assets	0	0
Total Non-Current Assets	51065	45264
Total Assets	275088	367701
Equity and Liabilities		
Trade & Other Payables	(2288)	(1530)
Employee Benefits	0	0
Deferred Revenue	13640	57528
Total Current Liabilities	11352	55998
Total Liabilities	11352	55998
Net Assets	263736	311703
Total Equity	263736	311703

STATEMENT OF CHANGES IN ACCUMULATED FUNDS

	For period ended 30 th June, 2017	For period ended 30 th June, 2016
Balance at beginning of Financial Year	318329	328910
Total Comprehensive Income for the year	(53768)	(10581)
Asset Revaluation Reserve	(825)	(6626)
Balance at end of the Financial Year, 30 th June	263736	311703

STATEMENT OF CASH FLOWS

	For period ended 30 th June 2017	For period ended 30 th June, 2016
Cash flows from operating activities		
Cash receipts from donors and members	620152	518947
Cash paid to suppliers and employees	726546	578493
Cash generated from / (used in) operations		
Interest and Dividends received	4480	5892
Net cash from / (used in) operating activities	(101914)	(53654)
Cash flows from investing activities		
Proceeds from sale of property, plant and	0	0
Acquisition of property, plant and equipment	0	0
Net cash used in investing activities	0	0
 Net increase / (decrease) in cash	 (101914)	 (53654)
Cash and cash equivalents at beginning of year	322437	376091
Cash and cash equivalents at end of year	220523	322437

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30th June, 2017

1. Reporting entity

Foundation for Australia's Most Endangered Species Ltd (the Company) is a company domiciled in Australia. The address of the Company's registered office is Level 1, 47 Tynte St, North Adelaide SA 5006. The financial statements are as at and for the year ended 30 June 2017.

The Company is a company limited by guarantee and without share capital. If the company is wound up, the Constitution of the Company states that each member is required to contribute a maximum of \$20 towards meeting any outstanding obligations of the Company.

The Company exists for the public benefit and to support the protection and enhancement of the natural environment and in particular, Australia's native flora and fauna.

2. Basis of preparation

(a) Statement of compliance

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The Company does not comply with International Financial Report Standards as it has adopted the exemptions allowed for not-for-profit organisations under AASB 101.

The financial statements were authorised for issue by the Board of Directors on 22nd November 2017.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis.

(c) Going concern

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business and the realisation of assets and settlement of liabilities in the ordinary course of business.

The Company incurred a deficit for the year ended 30 June 2017 of \$53768 and generated cash flows from operating activities of \$(101914).

Notwithstanding the financial performance, the Directors have prepared the financial report on a going concern basis as a result of the following:

- The Company has cash and cash equivalents amounting to \$220523 which is sufficient to extinguish current liabilities;
- The Company had net assets of \$263736 at 30 June 2017, and positive working capital of \$212671;

- The Company has forecasted to have sufficient cash flows to meet its obligations as and when they fall due; and
- The Company has reviewed its holding assets and has identified non-core assets which could be sold to facilitate cash flows should the need arise.

Having regard to these factors, the Directors are of the opinion that the basis upon which the financial report is presented is appropriate in the circumstances.

No adjustments have been made to the financial report to take account of any changes that would be required relating to the recoverability and classification of recorded assets or to the amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

(d) Functional and presentation currency

These financial statements are presented in Australian dollars, which is the Company's functional currency.

(e) Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the report 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.

There are no judgements made by management in the application of Australian Accounting standards that have significant effect on the financial report or estimates with a significant risk of material adjustment in the next year.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Foreign currency transactions

There were no foreign currency transactions in the reporting period.

Property, plant and equipment

(b) 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. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When 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.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment, and is recognised net within other income/other expenses in profit or loss.

(i) *Assets resulting from the FAME /DSE joint Project*

The Board recognises that according to the contract between Foundation for Australia's Most Endangered Species Ltd and the Department of Sustainability and Environment (Victoria), FAME is required to take ownership of, and manage, resulting assets. These assets are principally portable buildings and related infrastructure which have been fully written off in previous years.

(ii) *Subsequent costs*

The costs of the day-to-day servicing of property, plant and equipment are recognised as expenditure in the income statement.

(iii) *Depreciation*

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. Estimated useful lives for the current and comparative years are as follows:

- | | |
|--------------------------|-------------|
| • furniture | 3 – 5 years |
| • information technology | 3 years |

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. There was no depreciation for the year ended 30 June 2017.

(c) Impairment

(i) *Non-financial assets*

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of

assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The Company's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as a part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs, and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(d) Employee benefits

Long-term employee benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned for their services in the current and prior periods.

(i) Termination benefits

Termination benefits are recognised as an expense when the company is committed demonstrably, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the company has made an offer of voluntary redundancy, it is probably that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

(ii) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

All accrued employee benefits were paid prior to the end of the financial year.

(e) **Income**

Income in the form of unallocated bequests, donations and contributions is recognised in the year in which it is received.

Conditional bequests, donations allocated against specific future projects, and grants are treated as a liability until the condition relating to the bequest or grant has been satisfied. Conditional bequests and grants are then recognised as income.

(f) **Finance income and finance costs**

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Finance costs comprise interest expense on borrowings. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Foreign currency gains and losses are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

(g) **Income tax**

The Company has received written confirmation from the Deputy Commissioner of Taxation that it is exempt from income tax pursuant to Section 50-10 of the Income Tax assessment Act 1997. Accordingly no provision for income tax is required.

(h) **New standards and interpretations not yet adopted**

A number of new standards, amendments to standards and interpretations were effective for annual periods beginning after 1 January 2015. The application of these standards had no impact in the financial statements of the Company. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

4. Income

	2017	2016
Memberships	11850	6027
Donations and Bequests	656448	541990
	<u>668298</u>	<u>548017</u>

5. Finance income and finance costs

Interest income	<u>4480</u>	<u>5892</u>
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6. Cash and cash equivalents

Cash on hand	100	100
Bank Balances	220423	322337
	<u>220523</u>	<u>322437</u>

7. Other assets

Trade and Other Receivables	1500	0
Deposits	2000	0
ASX Shares (at market valuation)	51065	45264
	<u>54565</u>	<u>45264</u>

8. Reconciliation of cash flows from operating activities

Profit for the year	(53768)	(10581)
Adjustments for:		
Depreciation and write off of stock	0	94
Bequest of Shares	0	(29070)
Change in Provisions	0	(65746)
Change in Receivables	(3500)	0
Change in Deferred Revenue	(44090)	53464
Change in payables	(556)	(1815)
Net cash from/ (used in) operating activities	<u>(101914)</u>	<u>(53654)</u>

9. Financial risk management and financial instruments

Overview

The Company has exposure to the following risks from its use of financial instruments:

- Credit Risk
- Liquidity Risk
- Market Risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework and for developing and monitoring risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adhere to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company activities. The Company, through its training and management standards and procedures, aim to develop a disciplined and construction control environment in which all employees understand their roles and obligations.

Credit Risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations

Management of credit risk*Cash and cash equivalents*

Cash and cash equivalents are placed within financial institutions which are regulated and management does not expect any counterparty to fail to meet its obligations.

Trade and other receivables

Management monitors balances on an ongoing basis and does not require collateral in respect of receivables.

Exposure to credit risk

The carrying amount of the Company's financial assets represents the maximum credit exposure. The Company's maximum exposure to credit risk at the reporting date was:

	Carrying amounts
Cash and cash equivalents	220523
Trade and other receivables	1500
Other Current Assets	2000

At the reporting date there were no significant concentrations of credit risk by geographic region or by customer. There are no past due receivables.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income to the value of its holdings of financial instruments. The objectives or market risk management is to manage and control market risk exposures within acceptable parameters.

Interest rate risk

The Company's exposure to changes in interest rates relates primarily to interest-bearing financial assets.

Fair values**Fair values versus carrying amounts**

As at the reporting date, the carrying value of financial assets and liabilities as at the end of the financial year are considered to approximate their value.

10. Contingencies

As at 30th June 2017, the Company has the following commitments:

South Australian Department of Environment, Water and Natural Resources for funding of the Western Quoll and Brush-tailed Possum re-establishment project in the Flinders Ranges This commitment amounted to \$140,000.

Other Commitments:

Feral control research	\$70,000
Numbat Protector Dog	\$150,000
Wild_project	\$15,000
Aussie Ark	\$35,000
PhD Research Grant	\$5,000

11. Related parties**Directors' compensation**

Directors receive reimbursement of expenses only.

12. Subsequent events

There have been no events subsequent to balance date which would have a material effect on the Company's financial statements as at 30th June 2017.

13. Auditor's remuneration**Audit services**

Auditors of the Company
Harradine & Norris-Green

An amount of \$3234 (including GST) was paid for audit services for the Foundation for Australia's Most Endangered Species Ltd during the year ended 30th June 2017.

14. Administration Expenses

	2017	2016
Employee and Contractor Expenses	47644	46567
Other Operating Expenses	75832	54020
	<u>123476</u>	<u>100587</u>

15. Environmental Advocacy Expenses

Employee and Contractor Expenses	39565	32853
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16. Fundraising and Campaign Support

Employee and Contractor Expenses	52753	65706
Other Fundraising Expenses	40556	12041
	<u>93309</u>	<u>77747</u>

17. Other Expenses

Project Development Employee and Contractor Expenses	26376	32853
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DIRECTORS' DECLARATION


In the opinion of the Directors of Foundation for Australia's Most Endangered Species Ltd (the Company):

- (a) The financial statements and notes, set out on pages 1 to 23, are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Company's financial position as at 30th June 2017 and of its performance for the period ended on that date; *and*
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001;
- (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors

X


Diana Beal


Michael Willson, AM KSJ

X

Dated at

this ^{24th} day of November 2017

INDEPENDENT AUDIT REPORT

Report on the financial report

We have audited the accompanying financial report of Foundation for Australia's Most Endangered Species Ltd (the Company), which comprises the statement of financial position as at 30th June 2017, and statement of comprehensive income, statement of changes in accumulated funds and statement of cash flows for the period ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' responsibility for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we 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 of the financial report that gives a true and fair view 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 directors, as well as evaluating the overall presentation of the financial report.

We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001 and Australian Accounting Standards, a true and fair view which is consistent with our understanding of the Company's financial position and of its performance.

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

Independent audit report to the members of Foundation for Australia's Most Endangered Species Ltd (continued)

Independence

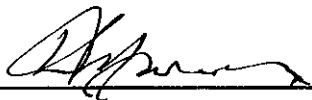
In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Foundation for Australia's Most Endangered Species on 15th November 2017, would be in the same terms if given to the directors as at the time of this auditor's report.

Auditor's Opinion

In our opinion:

The financial report of Foundation for Australia's Most Endangered Species Ltd is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the Company's financial position as at 30th June 2017 and of its performance for the period ended on that date; and
- (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.



Lee Harradine

Partner

Harradine & Norris-Green

Chartered Accountants

Unley, SA

Dated: 27th November 2017

FAME

SAVING OUR ENDANGERED FLORA & FAUNA

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Welbourn O'Brien

Welbourn O'Brien is proudly
associated with FAME, as
we work together toward
sustainable biological diversity.