

Chairman's Report. 2006-2007

Delta Society Australia Ltd is a not-for-profit company, limited by guarantee under the corporations law and subject to the scrutiny of the Australian Securities and Investments Commission. It has been granted public benevolent institution status by the Australian Tax Office and is a tax deductible gift recipient (all donations over \$2.00 are tax deductible). It is a registered charity in Queensland, New South Wales, Victoria, Tasmania and South Australia. It is also a Registered Training Organisation within the Australian Qualifications Framework.

Mission

Delta Society Australia's mission is to promote and facilitate positive interaction between people and animals. It pursues this mission through three major programs:

- the Delta Purina Pet Partners animal assisted therapy program;
- the Certificate IV Companion Animal Services Course in Pet Dog Training (Canine Good Citizen™); and
- the Delta Dog Safe™ program.

The Directors are pleased to report that 2006-2007 was again a successful year with continuing program expansion and systems development.

The Society is also a member of the SPOT (Safe Pets Out There) Program in a consortium with the Animal Welfare League NSW, the Australian Veterinary Association, and the RSPCA, under the umbrella of the Australian Companion Animal Council.

The Board

The Board of Directors has a mandate for the corporate governance of the Society. Its responsibilities include Delta's strategic direction; establishing goals for management; monitoring the achievement of those goals; identifying and managing business risk; ensuring that the Society meets its legal and ethical responsibilities; and that the Society's Directors, staff and volunteers meet the highest standards of conduct.

Kristen Heilman and Judith Myers resigned from the Board in July 2006 and Gillian Jarvis began her term in November of that year. There were no other additional nominations for Board membership at the Annual General Meeting on 29th November 2006 when all current Directors were appointed for a further three year term.

Board Committees

No additional Board Committees were approved during 2006-2007 and none was wound up.

Accommodation

The Society relocated the national office to Suite 401 at 64 Castlereagh Street, Sydney in February 2006 and reported last year that "the move to an office with double the floor space (and six work stations) significantly improved flexibility and efficiency". However, in November 2006 the Manager of the SPOT (Safe Pets Out There) Program and was joined by her Administration Officer early in 2007. With two additional workstations space is again at a premium, despite the storage facilities provided by the NSW Department of Local Government through Salmat.

Staff

At 30th June 2007 the Society had two full time and five part time or casual salaried staff members to manage and administer its national programs. In addition Delta, as the lead organisation in the SPOT (Safe Pets Out There) coalition, employed the program manager (full time), the administration officer (full time) and seven regional coordinators on a contracted, casual basis.

General Manager

John Cornwall reports to and briefs the Delta Directors, prepares the annual report and organises the annual general meeting. His responsibilities include his role as general manager, company secretary and Delta CGC™ Certificate IV Course Registrar. His job description includes policy and program development, publicity & promotion (including compilation and editing of *Delta Update*), program marketing, fund raising, securing and servicing commercial sponsors and supervising the Society's quality assurance programs. He is retiring from this position early in July 2007 and the Board is reviewing the job description and key selection criteria for the position.

Manager, Administration and Finance

Hollee Curran's duties include managing the financial aspects of Delta Society activities, including the annual audit; the day-to-day administration of Delta Society Australia Ltd; document control and student records for the CGC course as Deputy Course Registrar. She assists with the preparation of the Annual Report and Delta Update and maintains up-to-date databases and records of the Society's various sponsors, donors, members, students, and Delta accredited graduates from the Certificate IV Course in Pet Dog Training.

Finance Officer. Permanent Part time

Amy Fletcher was employed as permanent part time (28 hours per week) and has now become an important and integral part of the Society in providing support to the Manager of Administration & Finance.

Administration Assistant/Officer. Permanent Part time

Maeve Birrell was employed in the half time position of Administration Assistant until early June when the position was upgraded and Vanessa Legovic was appointed to the position of Administration Officer (28 hours per week).

Consultant. Pet Partners Policy & Programs.

Gillian Jarvis, a Melbourne based occupational therapist, is contracted on a project basis.

Pet Partners Program Coordinator Melbourne. Permanent Part time

Cornelia (Els) Stokes was employed on a permanent part time basis (24 hours per week).

Coordinator Delta Dog Safe™ SA. Permanent Part time

Sarah Harris was employed on a permanent part time basis (24 hours per week) as the Coordinator of the Delta Dog Safe Program in South Australia. She was ably supported by Fran Nicholas, her contracted assistant (casual).

Coordinator Delta Dog Safe™ Tasmania. Contract

Anne Boxhall was pivotal in establishing the Dog Safe Program in Tasmania and continued as a contracted program coordinator during 2006-2007. During the year she was also contracted as a consultant to develop the SPOT Program materials.

Contractors

The professionals who conduct the Delta Canine Good Citizen™ (Companion Animal Services) Certificate IV Course in pet dog training, the Delta Dog Safe training seminars and the professional development seminars are contracted on a per diem or per capita basis.

Volunteers

Policy and practice (as described in the manual), quality assurance, national marketing, publicity and promotion, maintenance of the national database and commercial sponsorship of the Delta Purina Pet Partners visiting (animal assisted interventions) program and the Dog Safe™ program nationally are the responsibility of the Delta staff. However, most of the coordination of the Pet Partners Program at branch level is done by volunteers.

Volunteer support and management are critical to the success of the Pet Partners program as it continues to grow. All volunteers – and at 30th June 2007 there were almost 600 Pet Partner volunteers Australia wide - must attend a volunteer training seminar before being accredited by Delta to join the program. During the training seminar they are issued with a job description and duty statement and are made aware of Delta's expectation of volunteer performance. The volunteers are often described as ordinary people with ordinary pet dogs doing extraordinary work.

At 30th June 2007 the Society had almost 120 trained and accredited volunteer class room presenters in the Delta Dog Safe program in South Australia and Tasmania.

Donn Summerfield, Peter Nomchong, Susan Reeves, William Vuong and Maria Sibillin continued their work as skilled volunteers in the national office.

Effective human resource management continues to be a top priority and we constantly strive to actively support our volunteers and remind them how much they are valued by clients, staff and Directors.

Funding

Careful cost control applied to the Delta programs resulted in an accumulated surplus of \$65,023 in 2006-2007.

The SPOT Program showed a large carry over of program funding for 2007-2008. The surplus was accumulated as the full quarterly installments from the NSW Department of Local Government were paid from 1st August 2006 but the first six months were necessarily spent in developing and reviewing the curriculum and associated support material, recruiting and training staff and volunteer class room presenters.

The Westfield Shopping Centres Program

The Delta Westfield Shopping Centres program was again one of Delta's successful promotional and fundraising projects in 2006-2007. The volunteers were proud to be 'show offs', showcasing their therapy dogs and explaining the program to thousands of interested people of all ages in Westfield shopping centres in four States.

The Delta Purina Pet Partners Program

By June 2007 there were almost 600 volunteers and their Delta-accredited dogs listed on the Delta database. Special tribute must again be paid to the voluntary program coordinators around Australia whose talent and dedication make the Pet Partners Program possible.

Research: During the year the Psychology Department at Monash University completed a research project on reminiscence therapy in patients with age related dementia involving Delta dogs and funded by a \$46,000 grant from the Sydney based Vincent Fairfax Family Foundation.

Ruth Townsend and her team at the Royal Talbot Rehabilitation Centre in Melbourne (an annex of the Alfred Hospital) worked with three Delta Pet Partner teams to evaluate the use of therapy dogs in the treatment of depression in young patients with acquired brain injury. Researchers from the Deakin University NICHE group were also involved. The researchers received a \$70,000 grant for the project. The results will be presented in a paper to the IAHAIO (International Association of Human Animal Interaction Organisations) Conference in Tokyo in October 2007.

Ernst & Young are funding a model project at The Children's Hospital at Westmead involving the use of Delta dogs in slow stream rehabilitation of children. All results are being recorded and assessed against outcomes.

There were no new branches established and the Program continued to run smoothly. There was a significant increase in fundraising for the Program in the financial year and all co-ordinators should be commended for their effort.

The Julie Mandile Award

The award is made annually "for outstanding services to the Pet Partners Program by a Delta Society volunteer or voluntary organisation".

The Julie Mandile award for 2007 went to Marietta Noest, the voluntary coordinator of the Brisbane-Gold Coast Pet Partners Branch. Marietta now has in excess of 100 Pet Partner teams visiting a wide range of facilities from the Sunshine Coast to Tweed Heads and units or wards in most of Brisbane's teaching hospitals.

The Delta Canine Good Citizen™ Pet Dog Training Course (Certificate IV Companion Animal Services)

On Easter Monday 9th April 2007, 58 students began the 2007-2008 course. The Director and Deputy Director of Studies, Dr Perry and Dr Fowkes, Kerrie Haynes-Lovell, Dr Linda Beer and Derell Sayer conducted the course lectures and Debi Coleman, Paul Welsh, and Debbie Chitty were the tutors attached to each of the three student groups. Additional support was provided by Certificate IV graduates Jenny Judson, Kathy Wilson and Cheryl Roberts. Delta's Manager of Administration & Finance and Deputy Course Registrar, Hollee Curran, was in attendance, as usual, to support everyone.

At 30th June 2006 the Society had more than 250 qualified Delta-accredited CGC™ instructors resident in all States and Territories in Australia and four in New Zealand listed on its website. Although they are working in an industry which, regrettably, is unregulated by legislation, the accreditation and listing is seen as formal recognition of high professional standards.

Continuing education. Delta accreditation and website listing for CGC™ Instructors

Seminars were conducted in Brisbane and Sydney in the second half of 2006 and were scheduled for Adelaide and Melbourne in July and August 2007.

To ensure that they can be confident that our accredited Canine Good Citizen™ trainers continue to meet professional standards, the Directors resolved in 2006 that attendance at the two day Delta seminar during 2006 or 2007 would be a condition for continuing accreditation and website listing of Delta trainers after 1st January 2008. However, by the middle of 2007 it was clear that there were a large number of graduates who had either been unable to attend the seminars or declined the opportunity (principally because of the 'tyranny of distance'). The Board consequently amended the previous resolution concerning compulsory attendance at a Delta Best Practice seminar by the addition of the words 'or completed a Delta approved distance education package'. The Board asked Dr Gaille Perry to produce the package.

National Register for Canine Good Citizens

In early 2006 Delta introduced a national scheme for a Canine Good Citizen™ Award with a formal register and database. From 2005-2006 students who have graduated from the Certificate IV Course received the additional training necessary for Award accreditation during the second residential segment. Delta instructors who graduated prior to that year were required to attend a one day workshop (conducted in Brisbane, Sydney and Melbourne (with one scheduled for Adelaide in August 2007. During 2007-2008 graduates who were unable to attend one of these workshops will be offered accreditation by distance education.

Dogs which meet The Standard on testing are eligible for the national award of Canine Good Citizen™. The dogs and their owners are entered on a national Delta registry and the owners are issued with a Delta certificate, incorporating a colour photo of the dog and owner, to confirm the registration. They may also order a CGC collar and lead which are available exclusively through the Delta registration office.

As a corollary to the scheme the Australian National Kennel Council (ANKC) supported an Australian Small Animal Veterinary Association (ASAVA) proposal to identify the dog nearest to the 'Best in Breed' winner in each of seven categories at the eight Royal Shows in Australia each year which was on Delta's national register and present them with an ASAVA Award. However, there has been a very long delay in implementation, waiting for formal advice from their solicitors (since resolved positively) and, more recently, the time consuming lead role by the ASAVA in organising the World Small Animal Veterinary Association conference in Australia in 2007.

The Delta Dog Safe™ program

Delta Dog Safe™ is a pro-active, dog friendly school education program for 5 to 8 year old children and their parents. Designed by Delta Australia as a public health initiative, it teaches safe and sensible behaviour around dogs, both family pets and stray or street dogs.

Dog Safe™ Tasmania continued its success in 2006—2007. Twelve new Dog Safe presenters joined the Tasmanian team, following a training seminar led by Dr Joanne Righetti in October 2006. More than 20,000 children had received the program by 30th June 2007. During the year George Town Council joined Launceston City Council, West Tamar Council and Dorset Council in having Animal Management Officers trained as Dog Safe presenters. At 30th June 2007 the program had been presented to 20,000 young Tasmanians, more than 90% of the target group.

Delta Dog Safe™ South Australia was again conducted with the support of the Dog & Cat Management Board of South Australia which provided \$75,000 for training, management and coordination of the program in 2006-2007. Special acknowledgement this year is due to volunteer Ron Simpson who took to the road, covering more than 3,000 kilometres to organise and present the Delta Dog Safe Program to almost 3,000 children in the South Australian Riverland and on the Eyre Peninsula.

The SPOT (Safe Pets Out There) Program

As at the 30th June, there were 187 trained volunteers presenting SPOT all over NSW and training evaluations continue to be extremely positive. More than 654 schools were invited to book a SPOT visit and 21,705 children in 85 different schools have viewed one of the SPOT modules.

Acknowledgements

Many people and organisations have been keen supporters of the Society through 2006-2007 but the following deserve special acknowledgement.

Nestle Purina continued as our major national sponsor of the Delta Purina Pet Partners Program through 2006-2007 and were a very important factor in the program's continued success.

Symbion Health continued as a major sponsor of the Pet Partners Program. Their pathology laboratories conduct pro bono quarterly pathology testing on more than hundred Delta Dogs that visit units in acute care hospitals in New South Wales and Queensland. Gribbles Veterinary Pathology was also a major sponsor, providing pro bono pathology testing of the Delta Dogs in the Victorian and South Australian hospitals program.

The ongoing generosity and support of the many veterinarians who conduct the health screening for dogs entering the Pet Partners Program and collect the samples for pathology testing of the hospital dogs 'pro bono' is again acknowledged. They do great credit to their profession.

Regional and branch sponsors have again given great support. Xstrata Copper in Townsville, the Newcastle Permanent Building Society, Newcrest-Cadia Mines in Orange, United Way in Geelong and the ANZ Bank in Bendigo deserve special mention. The Trust Company also provided a grant of \$5,000 to the Townsville Pet Partners branch.

New South Wales clubs donated an outstanding \$16,100 through the Community Development Support & Expenditure program. RSL, Bowling, Rugby League and Rugby Union clubs were prominent among the donors.

For the third successive year John Hunter Children's Hospital Kids Club in Newcastle again raised and donated \$1,200.

The Melbourne branch also received another \$3,000 from the Royal Melbourne Hospital Auxiliary.

More than 600 Pet Partner volunteers were generous with their time and their 'special dogs' and contributed so much to the profile and reputation for excellence that the Delta Purina Pet Partners Program continues to enjoy. Delta's special thanks go to those hardy souls who took their dogs, week in and week out, to the shopping centre appeals.

The voluntary coordinators in our branches made the Delta Purina Pet Partners Program possible.

A special thanks goes to Vanda Iwanowski (Geelong- Bellarine Pet Partners Co-ordinator) and Ron Williams on the establishment of an EBAY store. The funds from the sale of products such as collars, leads and general dog products goes towards supporting the Geelong -Bellarine Pet Partners Branch. In the financial year they have raised over \$1,300 with more exciting things to come. We are also looking at establishing a webshop that will link to the main Delta website in the near future.

Tom Wilson, Kerstin Stephenson, Samantha Morris, Sandra Glaister, Marietta Noest, Debra Coleman, Ron Williams, Kerrie Birch, Alexis Davison and Ruth Stockton, were members of one of Australia's most exclusive 'clubs' as Delta accredited temperament testers for the dogs whose owners volunteered to join the Pet Partners Program.

Special thanks and acknowledgement are due to our local sponsors and donors to the Program who kept it financially viable through the year.

Delta's Director of Studies for the CGC Course, Dr Gaille Perry, contributed many unpaid hours in course preparation and her commitment and professional excellence ensured that the Course maintained its international reputation. Her Deputy, Dr Sue Fowkes, continued her support through the year.

Other lecturers and tutors contributed so much to the success of the Course, much of it as unpaid volunteers, and the services and friendly cooperation of staff at Dookie College were outstanding.

Anne Boxhall, the coordinator of the Delta Dog Safe™ Tasmania program, is a very special person who has the gifts of competence, compassion and commitment in abundance. She also played a pivotal role in the development of the SPOT curriculum.

Sarah Harris and Fran Nicholas continued to organise and administer the Dog Safe program in South Australia with the competence and enthusiasm that we have come to expect.

A handwritten signature in cursive script that reads "Joanne Righetti".

Joanne Righetti B.Sc.(Hons), Ph.D., Dipl. Couns
Chairman

DELTA SOCIETY AUSTRALIA LIMITED ABN 81 078 280 592

Financial Statements

For the year ended 30 June 2007

DELTA SOCIETY AUSTRALIA LIMITED
ABN 81 078 280 592

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DELTA SOCIETY AUSTRALIA LIMITED

ABN 81 078 280 592

Directors' Report

Your directors present this report on the company for the financial year ended 30 June 2007.

Directors

The names of the directors in office at any time during or since the end of the year are:

Name of Director	Qualifications
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Dr. Joanne Righetti - BSc. Hons Uni of Glasgow, PhD. Animal Behaviour UNSW.

Mathilde Kearny-Kibble - BSc., BA.

Phillip Palangas - BBus Accounting

William Leith Porges - BVSc., HDA, PhD., DipEd.

Dr. Gaille Perry - BVSc., BEDSt., DipEd., MACVSc. Animal Behaviour, PhD.

Gillian Jarvis - Occ. Therapist. -appointed 29/11/06

Judith Myers - Resigned 19/07/06

Kristen Heilman - Resigned 19/07/06

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Directors' Meetings

	Meetings eligible	Meetings attended
Dr. Joanne Righetti	5	5
Mathilde Kearny-Kibble	5	4
Phillip Palangas	5	5
Dr. Gaille Perry	5	5
William Porges	5	5
Gillian Jarvis -appointed 29/11/06	3	3
Judith Helen Myers -resignation accepted 29/11/06	2	
Kristen Heilman -resignation accepted 29/11/06	2	

Operating Result

The surplus of the company for the financial year after providing for income tax amounted to:

Yearended	Yearended
30 June 2007	30 June 2006
\$	\$
65,023	53,310

Significant Changes in the State of Affairs

Delta Society Australia has been given the co-ordination role for the S.P.O.T. (Safe Pets Out There) program. The annual financial results of the program are not included in the following and are attached as a separate segment report.

Dr. John Cornwall, our long-time General manager retired July 2007. The Board wishes John a happy retirement.

DELTA SOCIETY AUSTRALIA LIMITED

ABN 81 078 280 592

Directors' Report

Principal Activities

The principal activities of the company during the course of the year were Promoting human health and well being with animal assistance and conducting educational and training courses and seminars. No significant change in the nature of these activities occurred during the year.

As a result of the introduction of Australian equivalents to International Financial Reporting Standards (IFRS), the company's financial report has been prepared in accordance with those standards. A reconciliation of adjustments arising on the transition to IFRS is included in Note 2 to this report.

After Balance Date Events

Details of matters or circumstances that have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years are : the appointment of Mr. Glenn Buckingham as CEO in place of Dr. John Cornwall who has retired.

Future Developments

The company expects to maintain the present status and level of operations and hence there are no likely developments in the operations in future financial years.

Environmental Issues

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

Dividends

The company is limited by guarantee. No shares have been issued. No dividends are allowed to be paid in accordance with the constitution of the company.

Options

As no shares have been allotted or issued, no options over issued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

Directors' Interests in Shares of the Company or Related Bodies Corporate

Directors' Benefits

No director has received or has become entitled to receive, during or since the financial year, a benefit because of a contract made by the company or related body corporate with a director, a firm which a director is a member or an entity in which a director has a substantial financial interest.

This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the company's accounts, or the fixed salary of a full-time employee of the company or related body corporate.

Indemnifying Officer or Auditor

During or since the end of the financial year the company has given an indemnity or entered an agreement to indemnify, or paid or agreed to pay insurance premiums for:

all the Directors and officers holding office during the financial year and for prior years.

DELTA SOCIETY AUSTRALIA LIMITED

ABN 81 078 280 592

Directors' Report

Proceedings on Behalf of Company

An individual has applied for leave of the Federal magistrates Court to bring proceedings against the company. Leave was granted by the Court in relation to this application. Details are as follows;

The individual is alleging that he was discriminated against within the meaning of the Disability Discrimination Act 1992.

Delta Society Australia Limited together with Dr. John Cornwall are adequately covered by Directors & Officers Insurance.

Auditors Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 has been included.

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



Dr. Joanne Righetti
Director



Phillip Palangas
Director

Dated: 15 November, 2007

DELTA SOCIETY AUSTRALIA LIMITED

ABN 81 078 280 592

Directors' Declaration

The directors of the company declare that:

1. the financial statements and notes are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standards and the Corporations Regulations; and
 - (b) give a true and fair view of the company's financial position as at 30 June 2007 and of its performance for the year ended on that date;
2. in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
3. the balance sheet gives a true and fair view of the state of affairs of the organisation with respect to fundraising appeals, and
4. the provisions of the Charitable Fundraising Act 1991 (NSW), Collections for Charitable Purposes Act 1939 (SA), Collections for Charitable Purposes Act 2001 (TAS), Collections Act 1966 (QLD), the regulations under the Acts and the conditions attached to the fundraising authority have been complied with by the organisation, and
5. the accounts give a true and fair view of the state of affairs of the organisation with respect to fundraising appeals, and
6. the internal controls exercised by the organisation are appropriate and effective in accounting for all income received and applied by the organisation from any fundraising appeals.

This declaration is made in accordance with a resolution of the Board of Directors.



Dr. Joanne Righetti
Director



Phillip Palangas
Director

Dated: 15 November, 2007

DELTA SOCIETY AUSTRALIA LIMITED

ABN 81 078 280 592

Auditor's Independence Declaration

**UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
To THE DIRECTORS OF: DELTA SOCIETY AUSTRALIA LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2007 there have been :

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the Audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit

FIRM FINANCIAL & ACCOUNTING

David P Green FCPA[FPS], FCIS, AFAIM, Certified Practising Accountant & Auditor
Level 3, 533 Kent Street, Sydney NSW 2000



09/11/2007

Sydney

DELTA SOCIETY AUSTRALIA LIMITED

ABN 81 078 280 592

Independent Auditor Report

Scope

We have audited the financial report, being the Statement by Directors, Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and Notes to the Financial Statements of DELTA SOCIETY AUSTRALIA LIMITED for the financial year ended 30 June 2007. The company's directors are responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements so as to present a view which is consistent with our understanding of the company's financial position and performance as represented by the results of its operations and its cash flows.

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

Independence

In accordance with ASIC Class Order 05/83, we declare to the best of our knowledge and belief that the auditor's independence declaration has not changed as at the date of providing our audit opinion.

Audit opinion

In our opinion, the financial report of DELTA SOCIETY AUSTRALIA LIMITED is in accordance with:

1. the Corporations Act 2001, including:
 - (a) giving a true and fair view of the company's financial position as at 30 June 2007 and of its performance for the year ended on that date; and
 - (b) complying with Accounting Standards and the Corporations Regulations; and
2. The Charitable Fund Raising Act 1991 (NSW), Collections Act 1966 (QLD), Collections for Charitable Purposes Act 1939 (SA), Collections for Charitable Purposes Act 2001 (TAS) and other mandatory professional reporting requirements.

Signed on 9 November, 2007:



David P Green FCPA[FPS], FCIS, AFAIM,
Certified Practising Accountant & Auditor

FIRMAUDIT

Level 3, 533 Kent Street, Sydney NSW 2000

DELTA SOCIETY AUSTRALIA LIMITED**ABN 81 078 280 592****Detailed Income Statement****For the year ended 30 June 2007**

	2007	2006
	\$	\$
Income		
Sponsorship	112,468	108,000
Membership fees - Annual	1,045	100
Membership fees - Affiliates	409	682
Other Sales Revenue	19,501	375
CGC Course revenue	250,533	277,250
Sales of Merchandise revenue	6,257	7,996
Donations	23,979	30,717
Anxiety & Aggression		8,659
Regional Sponsor	8,500	9,500
Adoption Pet Partners revenue	40,603	53,580
Planned Giving Revenue	122,181	84,818
Delta Dog Safe	2,945	30,202
United Way - Geelong	8,300	10,000
Sales		4,036
Fundraising	49,139	35,437
Seminars		10,564
Grants	628,700	88,567
Monash University Grant		201
Interest received	13,172	5,337
Other non-operating revenue	54,594	
Miscellaneous Sales		705
Community Development Scheme	16,100	1,450
Total income	<u>1,358,427</u>	<u>768,176</u>
Expenses		
Accountancy	278	
Advertising and promotion	3,878	4,310
Audit fees	10,705	3,040
Auditors - other services	1,240	
Division Administration fee	2,332	
Bank Fees And Charges	3,661	2,820
Cleaning/rubbish removal	2,016	1,510
Consulting specialists	35,650	
Conference/seminar costs	104,110	172,431
CGC Course Expenses - other	12,079	
SPOT Expenses	117,133	

The accompanying notes form part of these financial statements.

DELTA SOCIETY AUSTRALIA LIMITED**ABN 81 078 280 592****Detailed Income Statement****For the year ended 30 June 2007**

	2007	2006
	\$	\$
Computer expenses	2,570	1,539
Pet Partner Expenses	51,446	60,799
Fund raising expenses	15,153	
Dog safe Expenses	16,077	32,278
Delta Puppy Head Start	627	
Animal Assist Therapy	8,716	
Delta Staff support and accommodation	50,909	
Depreciation - plant	8,889	3,324
Delta Update Expenses	37,014	13,715
Electricity	779	767
Fringe benefits tax	259,724	159,803
General expenses	296	6,185
Hire/rent of Plant & Equipment	200	
Insurance	28,082	7,898
Internet Expenses	1,787	
Legal fees	537	1,793
Materials & supplies	878	2,672
M/V - Staff Allowance	1,080	
Postage	19,636	14,406
Printing & stationery	30,592	15,880
Rent on land & buildings	25,729	15,105
Repairs & maintenance	810	
Research & development	2,387	
Salaries - ordinary	161,698	139,590
Temporary staff members	1,197	
Provision for annual leave	5,270	4,400
Provision for long service leave	1,080	1,560
Staff amenities		219
Staff Recruitment Costs	9,447	
Staff training	170	581
Training Aids	82	
Training day expenses	4,501	
Uniforms	3,381	
Subscriptions	4,659	2,839
Superannuation	30,194	18,494
Telephone	15,570	6,382
Internet expenses	5,179	3,527
Travel, accom & conference	4,125	10,724
Meeting expenses	22,787	6,274

The accompanying notes form part of these financial statements.

DELTA SOCIETY AUSTRALIA LIMITED

ABN 81 078 280 592

Detailed Income Statement

For the year ended 30 June 2007

	2007	2006
	\$	\$
Total expenses	1,126,339	714,866
Surplus from Ordinary Activities before income tax	232,088	53,310

The accompanying notes form part of these financial statements.

DELTA SOCIETY AUSTRALIA LIMITED

ABN 81 078 280 592

Income Statement - by Nature

For the year ended 30 June 2007

	Note	2007	2006
		\$	\$
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Classification of Expenses by Nature			
Revenues from ordinary activities	2	725,104	768,176
Depreciation and amortisation expenses		(8,524)	(3,324)
Other expenses from ordinary activities		(651,557)	(711,542)
Surplus from ordinary activities before income tax	2	65,023	53,310
Income tax revenue relating to ordinary activities			
Net surplus attributable to members of the company		65,023	53,310

The accompanying notes form part of these financial statements.

DELTA SOCIETY AUSTRALIA LIMITED

ABN 81 078 280 592

Balance Sheet As At 30 June 2007

	Note	2007 \$	2006 \$
Current Assets			
Cash assets	4	186,337	130,168
Receivables	5	109,059	94,268
Current tax assets		617	(674)
Other	6	23,250	26,736
Total Current Assets		319,264	250,498
Non-Current Assets			
Property, plant and equipment	7	19,216	22,287
Total Non-Current Assets		19,216	22,287
Total Assets		338,480	272,785
Current Liabilities			
Payables	8	50,698	33,863
Provisions	9	28,667	22,880
Advance Course Payments		47,318	69,270
Total Current Liabilities		126,683	126,012
Total Liabilities		126,683	126,012
Net Assets		211,796	146,773
Equity			
Reserves	3	50,000	50,000
Retained surpluses		161,796	96,773
Accumulated funds		211,796	146,773

The accompanying notes form part of these financial statements.

DELTA SOCIETY AUSTRALIA LIMITED

ABN 81 078 280 592

Notes to the Financial Statements

For the year ended 30 June 2007

Note 1: Statement of Significant Accounting Policies

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views, the Charitable Fund Raising Act 1991 (NSW), Collections Act 1966 (QLD), Collections for Charitable Purposes Act 1939 (SA), Collections for Charitable Purposes Act 2001 (TAS) and other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial report covers DELTA SOCIETY AUSTRALIA LIMITED as an individual entity. DELTA SOCIETY AUSTRALIA LIMITED is a company limited by shares, incorporated and domiciled in Australia.

The financial report of DELTA SOCIETY AUSTRALIA LIMITED and the controlled entity and DELTA SOCIETY AUSTRALIA LIMITED as an individual parent entity comply with all Australian equivalents to International Financial Reporting Standards (IFRS) in their entirety.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(A) Basis of Preparation

First-time Adoption of Australian Equivalents to International Financial Reporting Standards

DELTA SOCIETY AUSTRALIA LIMITED has prepared financial statements in accordance with the Australian equivalents to International Financial Reporting Standards (IFRS) from the 1 July 2005.

In accordance with the requirements of AASB 1: First-time Adoption of Australian Equivalents to International Financial Reporting Standards, adjustments to the company's accounts resulting from the introduction of IFRS have been applied retrospectively to 2005 comparative figures excluding cases where optional exemptions available under AASB 1 have been applied. These accounts are the first financial statements of DELTA SOCIETY AUSTRALIA LIMITED to be prepared in accordance with Australian equivalents to IFRS.

The accounting policies set out below have been consistently applied to all years presented. The entities have however elected to adopt exemptions available under AASB 1 relating to AASB 132: Financial Instruments: Disclosure and Presentation, and AASB 139: Financial Instruments: Recognition and Measurement. Refer the Notes for further details.

Reconciliations of the transition from previous Australian GAAP to IFRS have been included in Note 2 to this report.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

(B) Accounting Policies

Income tax

Delta Society Australia Limited is registered with the Australian Taxation Office as 'income tax exempt'.

Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenses. Overheads are applied on the basis of normal operating capacity. Costs are assigned on the basis of weighted average costs.

DELTA SOCIETY AUSTRALIA LIMITED

ABN 81 078 280 592

Notes to the Financial Statements

For the year ended 30 June 2007

Property, Plant and Equipment

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

a) Property

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arms length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

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

b) Plant and equipment

Plant and equipment is measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining the recoverable amounts.

The cost of fixed assets constructed within DELTA SOCIETY AUSTRALIA LIMITED includes the cost of materials, direct labor, borrowing costs and an appropriate proportion of fixed and variable overheads.

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

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement and depreciation based on the assets original cost is transferred from the revaluation reserve to retained earnings.

c) Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to DELTA SOCIETY AUSTRALIA LIMITED commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable asset are:

Class of Asset	Depreciation Rate %
Plant and equipment	[20 %]
Other plant and equipment	[30 %]
Furniture	[10 %]
Other	[15 %]

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An assets carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

DELTA SOCIETY AUSTRALIA LIMITED

ABN 81 078 280 592

Notes to the Financial Statements

For the year ended 30 June 2007

Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Leases

Delta Society Australia Limited has not entered into any lease agreements during the financial year with the exception for that of office rental.

Financial Instruments

a) Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

b) Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB139: Recognition and Measurement of Financial Instruments. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in fair value of these assets are included in the income statement in the period in which they arise.

c) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are stated at amortised cost using the effective interest rate method.

d) Held-to-maturity investments

These investments have fixed maturities, and it is the company's intention to hold these investments to maturity. Any held-to-maturity investments are stated at amortised cost using the effective interest rate method.

e) Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

f) Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

g) Derivative Instruments

Derivative instruments are measured at fair value. Gains and losses arising from changes in fair value are taken to the income statement unless they are designated as hedges.

h) Fair Value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

i) Impairment

At each reporting date, the directors assess whether there is objective evidence that financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

DELTA SOCIETY AUSTRALIA LIMITED

ABN 81 078 280 592

Notes to the Financial Statements

For the year ended 30 June 2007

Impairment of Assets

At each reporting date, the directors review the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the assets fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

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

Intangibles

a) Goodwill

Goodwill and goodwill on consolidation are initially recorded at the amount by which the purchase price for a business or for an ownership interest in a controlled entity exceeds the fair value attributed to its net assets at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

B) Research and Development Expenditure

Expenditure during the research phase of a project is recognised as an expense when incurred. Development costs are capitalised only when technical feasibility studies identify that the project will deliver future economic benefits and these benefits can be measured reliably.

Development costs have a finite life and are amortised on a systematic basis matched to the future economic benefits over the useful life of the project.

Employee Benefits

Provision is made for the liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year have been measured at the amount expected to be paid when the liability is settled, plus related on-costs. Employee entitlements payable later than one year have been measured at the present value of the estimated future cash out flows to be made for those entitlements.

Provisions

Provision are recognised when DELTA SOCIETY AUSTRALIA LIMITED has a legal or constructive obligation, as a result of past events, for which it is probable that the outflow of economic benefit will result and that the outflow can be measured reliably.

Cash and Cash Equivalents

Cash and Cash Equivalents includes cash on hand, deposits held at call with banks or financial institutions, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short term borrowings in current liabilities on the balance sheet.

DELTA SOCIETY AUSTRALIA LIMITED

ABN 81 078 280 592

Notes to the Financial Statements

For the year ended 30 June 2007

Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking in to account the interest rates applicable to the financial assets.

Dividend revenue is recognised when the right to receive a dividend has been established. Dividends received from associates and joint venture entities are accounted for in accordance with the equity method of accounting.

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

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

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use of sale.

All other borrowing costs are recognised in income in the period in which they are incurred

Goods and Service Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Comparative Figures

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

a) Critical accounting estimates and judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and internally.

Key estimates - Impairment

The directors assesses impairment at each reporting date by evaluating conditions specific to the group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

No impairment has been recognised in respect of goodwill for the year ended 30 June 2007. Should the projected turnover figures be outside 90% of budgeted figures incorporated in value in use calculations, an impairment loss would be recognised up to the maximum carrying value of goodwill at 30 June 2007 amounting to \$Nil.

Key judgments - Doubtful debts provision

Included in accounts receivable at 30 June 2007 is an amount receivable from sales made to \$109,059 during the current financial year amounting \$Nil. The directors believe that the full amount of the debt is recoverable and no doubtful debt provision has been made at 30 June 2007.

DELTA SOCIETY AUSTRALIA LIMITED

ABN 81 078 280 592

Notes to the Financial Statements**For the year ended 30 June 2007**

2007

2006

Note 2: Revenue**Operating Activities:**

Other sales revenue	596,573	625,915
Interest revenue*	4,999	5,337
Other operating revenue:		
- Fundraising - Sydney	6,685	8,981
- Fundraising - Newcastle	8,043	6,137
- Fundraising - Central West		3,034
- Fundraising - Ernst & Young dinner	26,059	
- Fundraising - Melbourne	2,904	3,239
- Fundraising - Geelong	891	550
- Fundraising - Bendigo	307	
- Fundraising - Brisbane	497	2,854
- Fundraising - Riverina/ACT	1,042	
- Fundraising - Adelaide	997	6,588
- Fundraising - Tasmania		1,100
- Fundraising - Townsville	1,714	2,953
- Seminars		10,564
- Grants -Newcastle		6,567
- Grants-Tasmania -Dog Safe		12,000
- Grants- Central West	1,000	
- Grants - Bendigo	700	
- Grant - Riverina & ACT	2,000	
- Expended Grant-Dog & Cat Mngmnt Board		70,000
- Monash University Grant		201
- Miscellaneous Sales		705
- Community Development Scheme	16,100	1,450
	<u>670,510</u>	<u>768,176</u>

Non-Operating Activities:

Recoveries of overheads from S.P.O.T. program.	54,594	
	<u>54,594</u>	
Total Revenue	<u>725,104</u>	<u>768,176</u>

***Interest from:**

DELTA SOCIETY AUSTRALIA LIMITED

ABN 81 078 280 592

Notes to the Financial Statements

For the year ended 30 June 2007

	2007	2006
Bank Accounts	4,999	5,337
	<u>4,999</u>	<u>5,337</u>

Note 3: Reserves

Balance at the beginning of the reporting period

- Special Reserve contributed by the Animal welfare League
NSW.

50,000	
<u>50,000</u>	

Increase (decrease) in reserves during the reporting period:

- Special Reserve

	50,000
	<u>50,000</u>

Balance at the reporting date

- Special Reserve

50,000	50,000
<u>50,000</u>	<u>50,000</u>

Note 4: Cash assets

Bank accounts:

- Newcastle Permanent -963413406	14,516	6,551
- Westpac Society Account - 514448	18,880	24,843
- Westpac CMT -514464		50,835
- CBA - Delta Dogsafe Tasmania -10255857		1,178
- Westpac - Geelong	4,705	3,117
- Westpac - Delta Dog Safe - SA		9,801
- Newcastle Permanent -971786501	8,677	11,721
- Newcastle Permanent - CMT 934428609	15,645	10,123
- Westpac DDS -Tasmania - 188568	2,506	12,000
- Westpac Maxi Direct Account	121,409	
	<u>186,337</u>	<u>130,168</u>

DELTA SOCIETY AUSTRALIA LIMITED

ABN 81 078 280 592

Notes to the Financial Statements

For the year ended 30 June 2007

2007

2006

Reconciliation of Cash:

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

- Cash	186,337	130,168
	<u>186,337</u>	<u>130,168</u>

Note 5: Receivables

Current

Pledges receivable	109,059	94,268
	<u>109,059</u>	<u>94,268</u>

Note 6: Other Assets

Current

Short term deposits	6,255	8,805
Prepayments	16,995	17,931
	<u>23,250</u>	<u>26,736</u>

Note 7: Property, Plant and Equipment

Other plant and equipment:

- At cost	39,081	34,708
- Less: Accumulated depreciation	(19,865)	(12,421)
	<u>19,216</u>	<u>22,287</u>
	<u>19,216</u>	<u>22,287</u>

DELTA SOCIETY AUSTRALIA LIMITED

ABN 81 078 280 592

Notes to the Financial Statements

For the year ended 30 June 2007

2007

2006

Note 8: Payables

Secured:

- Trade creditors	50,698	33,863
	<u>50,698</u>	<u>33,863</u>
	<u>50,698</u>	<u>33,863</u>

Note 9: Provisions

Current

Employee entitlements*	28,667	22,880
	<u>28,667</u>	<u>22,880</u>

* Aggregate employee entitlements liability

	28,667	22,880
--	--------	--------

There were 13 employees at the end of the year

Provision for Employee Entitlements

A provision has been recognised for employee entitlements relating to annual and long service leave for employees. In calculating the present value and future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits has been included in Note: Statement of significant account policies.

Note 10: Auditors' Remuneration

Remuneration of the auditor of the company for:

Auditing or reviewing the financial report	8,905	3,040
Other services	880	
	<u>9,785</u>	<u>3,040</u>

Other services include;

Taxation services	[\$Nil]
Due diligence services	[\$880]

DELTA SOCIETY AUSTRALIA LIMITED

ABN 81 078 280 592

Notes to the Financial Statements

For the year ended 30 June 2007

Note 11 Statement of financial performance by states, territories and federal program

	Head Office	Mentoring Program	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total 2007	Total 2006	Total 2005
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income													
National Sponsorship	101591										101591	108000	113000
Regional Sponsorship			12377	2000	5000						19377	19500	32061
Membership Fees			1455								1455	782	1281
Federal Grants & Advances										0	0	88768	32843
State Grants & Advances								2000			12000	0	0
Other Grants & Advances	6725		1000	9000		211	353	37			23829	30666	30735
Donations			1000		7782						1000	10564	11052
Seminars		250533								250533	277252	277252	225482
CGC Course Income			680							680	0	0	18172
Puppy Headstart Program										0	8659	8659	32257
Anxiety & Aggression Program										0	40603	53580	37595
Adoption Pet Partners			20245	5150	13276		400	800	732		40603	53580	37595
Planned Givings			57214	39800	16900		4767	1600	1900		122181	84818	71338
Dog Safe Program							2332	614			2945	30252	32530
Other Short-term Programs			17118							17118	0	0	0
Fundraising	26059		14728	4101	2212		997		1042		49139	35436	39221
Interest Revenue	4999										4999	5337	4264
Community Development Scheme	16100										16100	1450	0
Sundry Revenue	6960										6960	13112	1493
Overhead recoveries from S.P.O.T.	54594										54594	0	0
Total Revenue	217027	250533	134064	60526	45169	211	8848	3014	5711	0	725103	768176	683324
Expenses													
CGC Course expenses	115229										115229	125372	125395
Fundraising expenses	15153										15153	60799	54812
Pet Partners Expenses			27344	17823	3087		1178	709	1306		16077	32277	22779
Delta Dog Safe expenses							9839	6238			0	11995	27311
Seminar expenses											0	0	6512
Puppy Headstart expenses											0	22291	21066
A & A expenses											0	13715	25652
Delta Update expenses	37014										37014	12772	1021
Other Short-term Program expenses	9343										9343	10724	2384
Travel & Accomodation	575										575	20770	11698
Administration	16779										16779	3040	2200
Audit & accountability fees	10063										10063	3324	3811
Depreciation	7444										7444	323850	255869
Employee costs & benefits	263231										263231	7898	10347
Insurance	15147										15147	30286	27677
Postage & stationery	39008										39008	15105	11386
Office rental	25729										25729	6274	18895
Meeting expenses	22787										22787	9909	7611
Telephone & communications	13641										13641	1793	
Legal fees	537										537	878	2672
Merchandise purchases	878										878	660081	714866
Total expenses	592558	0	27344	17823	3087	0	11017	6947	1306	0	660081	714866	636426
Surplus (deficit) for year	-375531	250533	106720	42703	42082	211	-2169	-3933	4405	0	65023	53310	46898

DELTA SOCIETY AUSTRALIA LIMITED

ABN 81 078 280 592

Statement of Cash Flows

For the year ended 30 June 2007

	2007	2006
	\$	\$
Cash Flow From Operating Activities		
Receipts from customers	665,511	762,839
Payments to Suppliers and employees	(652,321)	(774,455)
Interest received	4,999	5,337
Net cash provided by (used in) operating activities (note 2)	<u>18,189</u>	<u>(6,279)</u>
Cash Flow From Investing Activities		
Pledges receivable	(14,791)	(6,399)
Payment for:		
Payments for property, plant and equipment	(4,372)	(12,523)
Proceeds from disposal of:		
Recoveries of overheads from S.P.O.T.	54,594	
Net cash provided by (used in) investing activities	<u>35,430</u>	<u>(18,921)</u>
Net increase (decrease) in cash held	53,619	(25,201)
Cash at the beginning of the year	<u>138,973</u>	<u>164,174</u>
Cash at the end of the year (note 1)	<u><u>192,592</u></u>	<u><u>138,973</u></u>

The accompanying notes form part of these financial statements.

DELTA SOCIETY AUSTRALIA LIMITED**ABN 81 078 280 592****Statement of Cash Flows****For the year ended 30 June 2007**

2007

2006

Note 1. Reconciliation Of Cash

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

Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Newcastle Permanent -963413406	14,516	6,551
Westpac Society Account - 514448	18,880	24,843
Westpac CMT -514464		50,835
CBA - Delta Dogsafe Tasmania -10255857		1,178
Westpac - Geelong	4,705	3,117
Westpac - Delta Dog Safe - SA		9,801
Newcastle Permanent -971786501	8,677	11,721
Newcastle Permanent - CMT 934428609	15,645	10,123
Westpac DDS -Tasmania - 188568	2,506	12,000
Westpac Maxi Direct Account	121,409	
Rental Bond for property	6,255	8,805
	<u>192,592</u>	<u>138,973</u>

Note 2. Reconciliation Of Net Cash Provided By/Used In Operating Activities To Net Profit

Operating profit (loss) after tax	65,023	53,310
Depreciation	8,524	3,324
Recoveries of overheads from S.P.O.T. Program	(54,594)	
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:		
(Increase) decrease in prepayments	936	(6,992)
Increase (decrease) in trade creditors and accruals	16,835	2,404
Increase (decrease) in other creditors	(21,952)	(63,130)
Increase (decrease) in employee entitlements	5,787	5,960
Increase (decrease) in sundry provisions	(2,371)	(1,156)
Net cash provided by operating activities	<u>18,189</u>	<u>(6,279)</u>

The accompanying notes form part of these financial statements.

DELTA SOCIETY AUSTRALIA LIMITED

ABN 81 078 280 592

Depreciation Schedule for the year ended 30 June, 2007

	Total	Priv	OWDV	Date	DISPOSAL		Date	ADDITION		Value	T	Rate	DEPRECIATION		Priv	CWDV	PROFIT		LOSS	
					Date	Consid		Date	Cost				Deprec	Upto			+ Above	Total	-	
Office Equipment																				
1 Rebuilt harddrive (J.C.)	500	0.00	0	0	0	0	0	0	0	0	P	20.00	0	0	0	0	0	0	0	0
2 IBICO Pouchman - Laminator	226	0.00	18	0	0	0	0	0	0	18	P	20.00	18	0	0	0	0	0	0	0
3 Projector - Sydney	303	0.00	22	0	0	0	0	0	0	22	P	20.00	22	0	0	0	0	0	0	0
4 Office chair - Sydney	326	0.00	26	0	0	0	0	0	0	26	P	20.00	26	0	0	0	0	0	0	0
5 Laminator - Newcastle Branch	226	0.00	46	0	0	0	0	0	0	46	P	20.00	45	0	1	0	0	0	0	0
6 Filing Cabinet - four drawer	208	0.00	127	0	0	0	0	0	0	127	P	10.00	21	0	106	0	0	0	0	0
7 Canon Colour Printer	327	0.00	0	0	0	0	0	0	0	0	P	30.00	0	0	0	0	0	0	0	0
8 Filing Cabinet	63	0.00	43	0	0	0	0	0	0	43	P	10.00	6	0	37	0	0	0	0	0
9 Display Boards	1,199	0.00	605	0	0	0	0	0	0	605	P	15.00	180	0	425	0	0	0	0	0
10 Hewlett Packard 3330 Printer-SGL31COD37	1,278	0.00	47	0	0	0	0	0	0	47	P	30.00	47	0	0	0	0	0	0	0
11 Filing Cabinets-Enhance-4 draw & 2 draw	598	0.00	411	0	0	0	0	0	0	411	P	10.00	60	0	351	0	0	0	0	0
12 Computer Tower - 13575 & Monitor	1,991	0.00	153	0	0	0	0	0	0	153	P	30.00	153	0	0	0	0	0	0	0
13 Computer Tower - 13575 & Monitor	1,991	0.00	153	0	0	0	0	0	0	153	P	30.00	153	0	0	0	0	0	0	0
14 Networking Card	141	0.00	12	0	0	0	0	0	0	12	P	30.00	12	0	0	0	0	0	0	0
15 Digital Camera	182	0.00	14	0	0	0	0	0	0	14	P	30.00	14	0	0	0	0	0	0	0
16 Dlink Modem	235	0.00	96	0	0	0	0	0	0	96	P	20.00	47	0	49	0	0	0	0	0
17 Sony FD Mavica Digital Camera	654	0.00	273	0	0	0	0	0	0	273	P	20.00	131	0	142	0	0	0	0	0
18 Dynmo Labeler	254	0.00	122	0	0	0	0	0	0	122	P	20.00	51	0	71	0	0	0	0	0
19 Canon MPC730	544	0.00	282	0	0	0	0	0	0	282	P	20.00	109	0	173	0	0	0	0	0
20 Laminator - Creative	59	0.00	33	0	0	0	0	0	0	33	P	20.00	12	0	21	0	0	0	0	0
21 Desks x 3 (Auction)	100	0.00	100	0	0	0	0	0	0	100	P	0.00	0	0	100	0	0	0	0	0
22 Filing Cabinet - 4 draw	100	0.00	100	0	0	0	0	0	0	100	P	0.00	0	0	100	0	0	0	0	0
23 HP Compaq Laptop-Sydney	1,545	0.00	536	0	0	0	0	0	0	536	P	33.00	510	0	26	0	0	0	0	0

DELTA SOCIETY AUSTRALIA LIMITED

ABN 81 078 280 592

Depreciation Schedule for the year ended 30 June, 2007

	DISPOSAL		ADDITION		DEPRECIATION			PROFIT		LOSS			
	Date	Consid	Date	Cost	Value	T	Rate	Deprec	Priv	CWDV	Upto + Above	Total -	Priv
24 HP Laserjet 2550L (CNHFB11497)- Adelaide	908.18.21/09/04	0	0	0	425	P	30.00	272	0	153	0	0	0
25 HP Laserjet 3030 (CNBSB90635)- Tasmania	726.36.21/09/04	0	0	0	339	P	30.00	218	0	121	0	0	0
26 Canon IP4000 Bubblejet Printer - Sydney	271.82.23/09/04	0	0	0	127	P	30.00	82	0	45	0	0	0
27 Commander Intercom & 3 Phones- Sydney	869.00.23/02/05	0	0	0	728	P	12.00	104	0	624	0	0	0
28 HP Projector (SCNB4290753)- Newcastle	1,752.00.17/05/05	0	0	0	1,359	P	20.00	350	0	1,009	0	0	0
29 HP NX6120 Laptop(CNUJ5180FFL)- Newcastle	1,288.00.17/05/05	0	0	0	811	P	33.00	425	0	386	0	0	0
30 Binding Machine -Sydney	247.11.01/06/05	0	0	0	194	P	20.00	49	0	145	0	0	0
31 Display Boards -Melbourne	1,327.64.23/05/05	0	0	0	1,035	P	20.00	265	0	770	0	0	0
32 Canon MP5650 All In One RZP06135 SO153939810	545.00.23/09/05	0	0	0	583	P	30.00	164	0	419	0	0	0
33 Sony Camera SO153939810	612.00.08/10/05	0	0	0	662	P	30.00	184	0	478	0	0	0
34 DVD Burner on Cx Compiled PC	64.00.14/10/05	0	0	0	69	P	30.00	19	0	50	0	0	0
35 Canon Printer PIXMA MP800	454.00.05/11/05	0	0	0	501	P	30.00	136	0	365	0	0	0
36 IBICO Binding Machine-207482	186.00.05/11/05	0	0	0	199	P	20.00	37	0	162	0	0	0
37 Laminator 5326	73.00.05/11/05	0	0	0	78	P	20.00	15	0	63	0	0	0
38 Cx Compiled PC 26830	1,205.00.07/11/05	0	0	0	1,333	P	30.00	361	0	972	0	0	0
39 Binding Machine- 26310000-4271	525.00.15/11/05	0	0	0	564	P	20.00	105	0	459	0	0	0
40 Canon MP780 MFPPrinter AHH028388	495.00.08/12/05	0	0	0	560	P	30.00	148	0	412	0	0	0

DELTA SOCIETY AUSTRALIA LIMITED
ABN 81 078 280 592
DELTA SOCIETY - SOUTH AUSTRALIA
Detailed Balance Sheet As At 30 June 2007

DELTA SOCIETY AUSTRALIA LIMITED
ABN 81 078 280 592
DELTA SOCIETY - SOUTH AUSTRALIA
Detailed Balance Sheet As At 30 June 2007

	2007	2006
	\$	\$
Current Assets		
Cash Assets		
Westpac - Delta Dog Safe - SA	11,551	
	11,551	
Current Tax Assets		
GST clearing	916	
	916	
Other		
Prepayments	1,354	
	1,354	
Total Current Assets	13,821	
Total Assets	13,821	
Current Liabilities		
Provisions		
Provision for annual leave	(563)	
Total Current Liabilities	(563)	
Net Grant	13,258	
Grant Account -Dog and Cat Mangmnt Board SA		
Balance B/Fwd 01/07/06	9,800	
Surplus for current year	3,458	
Grant balance at end of year C/fwd	13,258	

The accompanying notes form part of these financial statements.

DELTA SOCIETY AUSTRALIA LIMITED

ABN 81 078 280 592

DELTA SOCIETY - SOUTH AUSTRALIA

Statement of Cash Flows

For the year ended 30 June 2007

	2007	2006
	\$	\$
<hr/>		
Cash Flow From Operating Activities		
Receipts from customers	75,000	
Payments to Suppliers and employees	(73,442)	
Interest received	192	
Net cash provided by (used in) operating activities (note 2)	<u>1,751</u>	
Net increase (decrease) in cash held	1,751	
Cash at the beginning of the year	<u>9,800</u>	
Cash at the end of the year (note 1)	<u><u>11,551</u></u>	

The accompanying notes form part of these financial statements.

DELTA SOCIETY AUSTRALIA LIMITED

ABN 81 078 280 592

DELTA SOCIETY - SOUTH AUSTRALIA

Statement of Cash Flows

For the year ended 30 June 2007

2007

2006

Note 1. Reconciliation Of Cash

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

Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Westpac - Delta Dog Safe - SA	11,551	_____
	<u>11,551</u>	<u>_____</u>

Note 2. Reconciliation Of Net Cash Provided By/Used In Operating Activities To Net Surplus

Surplus generated for year	3,458	_____
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:		
(Increase) decrease in prepayments	(1,354)	_____
Increase (decrease) in employee entitlements	562	_____
Increase (decrease) in sundry provisions	(916)	_____
Net cash provided by operating activities	<u>1,751</u>	<u>_____</u>

The accompanying notes form part of these financial statements.

DELTA SOCIETY AUSTRALIA LIMITED

ABN 81 078 280 592

DELTA SOCIETY - SOUTH AUSTRALIA

Detailed Income Statement

For the year ended 30 June 2007

	2007	2006
	\$	\$
<hr/>		
Income		
Grant Received- Dog & Cat Mngmnt Board	75,000	
Interest received	192	
Total income	<u>75,192</u>	<u> </u>
 Expenses		
Advertising and promotion	3,797	
Division Administration fee	2,332	
Computer expenses	346	
Fringe benefits tax	30,434	
Insurance - Work Cover	30	
Insurance - Volunteers	727	
Insurances- Professional Indemnity	1,977	
Postage	510	
Printing & stationery	447	
Salaries - ordinary	13,085	
Provision for annual leave	562	
Training Aids	82	
Training day expenses	4,501	
Uniforms	3,381	
Superannuation	3,751	
Telephone	1,581	
Internet expenses	639	
Travel, accom & conference	3,550	
Total expenses	<u>71,734</u>	<u> </u>
Surplus for year added to Grant account	<u><u>3,458</u></u>	<u><u> </u></u>

The accompanying notes form part of these financial statements.

DELTA SOCIETY AUSTRALIA LIMITED
ABN 81 078 280 592
S.P.O.T. (SAFE PETS OUT THERE)
Detailed Balance Sheet As At 30 June 2007

DELTA SOCIETY AUSTRALIA LIMITED
ABN 81 078 280 592
S.P.O.T. (SAFE PETS OUT THERE)
Detailed Balance Sheet As At 30 June 2007

	2007	2006
	\$	\$
Current Assets		
Cash Assets		
Westpac Account No 032-044 69-3694	11,135	
Westpac Max-I Direct 032-044 70-5017	157,288	
	168,423	
Other		
Prepayments	5,465	
	5,465	
Total Current Assets	173,888	
Non-Current Assets		
Property, Plant and Equipment		
Plant - Other	8,829	
Less: Accumulated depreciation	(1,445)	
	7,384	
Total Non-Current Assets	7,384	
Total Assets	181,272	

The accompanying notes form part of these financial statements.

DELTA SOCIETY AUSTRALIA LIMITED
ABN 81 078 280 592
S.P.O.T. (SAFE PETS OUT THERE)
Detailed Balance Sheet As At 30 June 2007

	2007	2006
	\$	\$
<hr/>		
Current Liabilities		
Payables		
Unsecured:		
Trade creditors	8,858	
	8,858	
Current Tax Liabilities		
GST payable control account	8,808	
	8,808	
Total Current Liabilities	17,666	
Total Liabilities	17,666	
Net Grant	163,606	
Grant Account- S.P.O.T. (Safe Pets Out There)		
Balance B/Fwd 01/07/06		
Surplus for current year	163,606	
Grant balance as at end of year C/fwd	163,606	

The accompanying notes form part of these financial statements.

DELTA SOCIETY AUSTRALIA LIMITED

ABN 81 078 280 592

S.P.O.T. (SAFE PETS OUT THERE)

Statement of Cash Flows

For the year ended 30 June 2007

	2007	2006
	\$	\$
Cash Flow From Operating Activities		
Receipts from customers	550,150	
Payments to Suppliers and employees	(380,879)	
Interest received	7,980	
Net cash provided by (used in) operating activities (note 2)	<u>177,252</u>	
Cash Flow From Investing Activities		
Payment for:		
Payments for property, plant and equipment	<u>(8,829)</u>	
Net cash provided by (used in) investing activities	<u>(8,829)</u>	
Net increase (decrease) in cash held	168,423	
Cash at the beginning of the year		
Cash at the end of the year (note 1)	<u><u>168,423</u></u>	

The accompanying notes form part of these financial statements.

DELTA SOCIETY AUSTRALIA LIMITED

ABN 81 078 280 592

S.P.O.T. (SAFE PETS OUT THERE)

Statement of Cash Flows

For the year ended 30 June 2007

2007

2006

Note 1. Reconciliation Of Cash

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

Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Westpac Account No 032-044 69-3694	11,135	
Westpac Max-I Direct 032-044 70-5017	157,288	
	<u>168,423</u>	<u></u>

Note 2. Reconciliation Of Net Cash Provided By/Used In Operating Activities To Net Surplus

Operating surplus	163,606	
Depreciation	1,445	
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:		
(Increase) decrease in prepayments	(5,465)	
Increase (decrease) in trade creditors and accruals	8,858	
Increase (decrease) in sundry provisions	8,808	
Net cash provided by operating activities	<u>177,252</u>	<u></u>

The accompanying notes form part of these financial statements.

DELTA SOCIETY AUSTRALIA LIMITED

ABN 81 078 280 592

S.P.O.T. (SAFE PETS OUT THERE)**Detailed Income Statement**

For the year ended 30 June 2007

	2007	2006
	\$	\$
Income		
Donations -SPOT	150	
Grant Received -Department of Local Govt	550,000	
Interest received	7,980	
Total income	<u>558,130</u>	<u> </u>
Expenses		
Audit fees	1,800	
Auditors - other services	360	
Consulting specialists	35,650	
SPOT Resources	43,157	
Travel & accommodation	28,087	
Catering	7,001	
Review Process Expenses	10,081	
Mileage for co-ordinators	7,397	
Mileage for volunteers	8,774	
Presenter travel allowance	1,240	
Meeting expenses	4,229	
Equipment allowances to presenters	7,167	
Delta Staff support and accommodation	50,909	
Depreciation - plant	1,445	
Reportable Fringe Benefits	96,394	
Hire/rent of Plant & Equipment	200	
Insurance General	10,737	
Insurance - Work Cover	727	
Internet Expenses	1,787	
Postage	2,808	
Printing & stationery	7,536	
Repairs & maintenance	810	
Salaries - ordinary	38,445	
Temporary staff members	1,197	
Staff Recruitment Costs	9,277	
Staff training	170	
Subscriptions	20	
Superannuation	12,232	
Telephone	4,888	
Total expenses	<u>394,524</u>	<u> </u>
Surplus for year added to Grant Account	<u>163,606</u>	<u> </u>

The accompanying notes form part of these financial statements.

