

Greenpeace Australia Pacific  
Limited

ABN 61 002 643 852

Annual Financial Report  
31 December 2007

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**Level 4, 39 Liverpool St, Sydney NSW 2000**

**GREENPEACE AUSTRALIA PACIFIC LIMITED**  
**ABN 61 002 643 852**

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## **Director's Report**

The directors present their report together with the financial report of Greenpeace Australia Pacific Limited ("the Company") for the year ended 31 December 2007 and the auditor's report thereon.

### **DIRECTORS**

The directors of the company at any time during or since the end of the financial year are:

<b>Name:</b>	<b>Ann de Wachter</b>	<b>Robert Wilson</b>
<b>Age:</b>	68 (30 January 1939)	72 (19 October 1935)
<b>Experience:</b>	Public Relations and Fund-raising, Former Chair of Greenpeace International Board Search Committee	Previous CEO of Sydney Water Board, NSW Water Resources Commission and Department of Lands and Registrar General, Environmental Campaigner and Certified Practising Accountant.
<b>Appointed:</b>	24 May 1997	25 May 1996
<b>Directorship of other Corporations:</b>	ADW Communications Pty Limited	Managing Director of Wilson Corporate & Environmental Services Pty Limited, Chair Independent Expert Panel on Hawkesbury-Nepean River Environmental Flow, Hawkesbury- Nepean Catchment management Authority.
<b>Name:</b>	<b>James Falk</b>	<b>Graham Everett Leung</b>
<b>Age:</b>	61 (26 October 1946)	51 (26 November 1956)
<b>Experience:</b>	Environmental Research and Intervention, Author, University Professor, University Deputy	Solicitor & Barrister, Crown Counsel with Fiji DPP, Advisor to Forum Secretariat, Consultant to UNEP, Deputy Permanent Representative of Fiji to UN. Notary Public, Partner Howards
<b>Appointed:</b>	15 May 1993	22 May 1999
<b>Directorship of other Corporations:</b>	Director, Australian Centre for Science, Innovation and Society (ACSIS).	Fijian Trust Fund

**Director's Report (continued)**

**DIRECTORS (continued)**

<b>Name:</b>	<b>Angela Mayersbach</b>	<b>Imrana Jalal</b>
<b>Age:</b>	48 (27 February 1959)	47 (3 June 1960)
<b>Experience:</b>	Degrees & Post Grad Studies in Economics, Accounting and Psychology. (majoring in Organisational Psychology)	Lawyer, Former Director for Greenpeace International, Human Rights Advisor for Regional Rights ResourceTeam in Fiji.

<b>Appointed:</b>	31 May 2003	31 May 2003
<b>Directorship of other Corporations:</b>	Nil	Fiji Women's Rights Movement Suva, St Joseph's Secondary School Board of Governors, International Council of Human Rights Policy Geneva, ANZ Bank Fiji Advisory Board, Commissioner- International Commission of Jurists, Geneva

<b>Name:</b>	<b>Lynette Thornstensen</b>	<b>Sean Stafford Kidney</b>
<b>Age:</b>	46 (30 September 1961)	50 (26 January 1957)
<b>Experience:</b>	Bachelor of Arts, Masters Science & Society. Former CEO of Greenpeace Australia Pacific	Social change Advisor, Former CEO of Social Change Media, Social Change Online, Pluto Press Australia.
<b>Appointed:</b>	4 June 2005	4 June 2007
<b>Directorship of other Corporations:</b>	Sydney Community Foundation	The Australia Institute Pty Ltd, Cleardocs Pty Ltd, Cleardocs Ltd (UK)

**COMPANY SECRETARY**

Mr Stewart Williams, BBusMNIA was appointed to the position of company secretary in January 2003.

**DIRECTORS' MEETINGS**

The number of directors' meetings (including meetings of committees of directors) and number of meetings attended by each of the directors of the company during the financial year are:

	DIRECTORS' MEETINGS		FINANCE COMMITTEE MEETINGS	
	Number eligible to attend*	Number attended	Number eligible to attend	Number attended
Ann de Wachter	5	5	-	-
Robert Wilson	5	5	4	4
James Falk	2	2	2	2
Graham E Leung	5	4	-	-
Angela Mayersbach	5	3	4	2
Imrana Jalal	5	2	-	-
Lynette Thorstensen	5	4	-	-
Sean Kidney	3	3	-	-

## **Director's Report (continued)**

### **PRINCIPAL ACTIVITIES OF THE COMPANY**

The principal activities of the company during the year were education of the public and independent campaigning to protect, preserve and enhance the natural environment and to promote nuclear disarmament and peace.

The company's main campaigns during the year were:

- Promoting urgent actions to reduce risks of human induced climate change and educating people about renewable energy solutions;
- Educating stakeholders about threats to the regional oceans from overfishing, pirate fishing and other ecosystem impacts, such as whaling;
- Supporting protection of Melanesia's ancient forests from industrial logging and destruction, and supporting solutions developed and run by village communities;
- Promoting a GE-free future and opposing commercial release of genetically engineered organisms into the environment; and
- Raising awareness of the case for closure of the nuclear industry, in order to replace it with non-radioactive alternatives.

All funds earned by the company are wholly utilised for the above activities. No benefits accrue to the company's members.

### **TRADING RESULTS**

Greenpeace Australia Pacific Limited had an operating surplus of \$1.331m (2006 – a surplus of \$1.301m).

After several years of little, or no change, in fundraising income, 2006 and 2007 have shown healthy growth. This is the result of investment in fundraising which commenced in 2004.

Reserves of \$5.71m are in excess of what is required under our Reserves Policy. The excess will be used to fund strategic initiatives in our Campaign and Fundraising areas.

The organisation has received formal notification that it is exempt from income tax and accordingly no provision for income tax is required.

#### **Likely developments and Results**

The pleasing results of 2006 were continued in 2007 with:

- Net income growth of 18%
- Increase in regular givers of 3%
- Increase in cash supporters, and
- Diversification strategies still progressing well

The stability of our income base remains high at 90% (2006 – 90%) of supporters donating to us by way of monthly automatic payments.

## **Director's Report (continued)**

### **TRADING RESULTS (continued)**

Fundraising costs were 37.7% (2006 – 40%) of total proceeds from fundraising and 38.4% (2006 – 39.5%) of total expenditure.

In 2008 we will commence a Loyalty Program which acknowledges our long-term supporters and will also escalate our on-line activities.

In late 2007 our Head of Fundraising, of four years, resigned. The replacement Head of Fundraising will commence in late February 2008.

The re-structure of the organisation in 2006 was reviewed in 2007 and minor changes made to staffing sustainable with our income projections.

In 2007 Campaign and Campaign Support spending was 52.2% (2006 – 50%) and Administration costs (referred to as Organisation Support) were 9.4% (2006 – 10.1%) of total expenditure.

Port Moresby, the location of our Papua New Guinea office, is becoming increasingly more dangerous. Partly as a result of this we have up-graded our security and back-up systems within our compound. We continue to provide a safe environment for our staff and visitors.

### **ENVIRONMENTAL ISSUES**

The company's operations are subject to environmental regulations under laws of the Commonwealth and of States and Territories. Details of the company's performance in relation to such environmental regulations are as follows:

- When a campaign is undertaken that directly involves the handling of environmental waste, legal counsel is sought to ensure that no laws are broken; and
- All steps are taken to ensure the safety of people involved in activities to the highest possible standards, and that the environment itself is not harmed.

The directors are not aware that the company is in breach of any environmental regulations.

### **DIVIDENDS**

Pursuant to the Articles of Association, the company is precluded from paying dividends.

## **Directors' Report (continued)**

### **REVIEW OF OPERATIONS**

Greenpeace Australia-Pacific maintains offices in Australia in Sydney and Canberra; Port Moresby, Papua New Guinea; Suva, Fiji; and Honiara, Solomon Islands. Our operations ranged across the Pacific and into the Southern Ocean including strong participation in the international organisation.

Greenpeace Australia-Pacific's supporter base is approximately 100,000 individual financial supporters. Greenpeace does not accept funds from governments or corporations.

In 2007 Greenpeace Australia-Pacific completed the requirements of the International NGO Accountability Charter as part of its commitment to becoming a leader in establishing professional standards in the non-profit sector.

Greenpeace Australia-Pacific continued to be involved in a number of activities in support of international conventions including the reduction of greenhouse gas emissions under the UN Kyoto Protocol, working with the Western and Central Pacific Fisheries Commission to protect tuna stocks, and working to stop Japan from whaling in the Southern Ocean whale sanctuary as delineated by the International Whaling Commission. Greenpeace Australia-Pacific also worked with traditional landowners in Papua New Guinea to maintain control of their lands, to stop illegal timber from being imported into Australia, and to stop illegal timber from being re-exported through China to European markets.

Greenpeace Australia Pacific celebrated its 30th Anniversary in 2007 with a photo-exhibit "30 Years of Inspiring Action 1977-2007" in Sydney and Canberra.

### **Whales**

The effort by the Japanese whaling fleet to whale inside the Southern Ocean whale sanctuary was cut short in February by a fatal fire aboard the factory whaling ship Nisshin Maru while it was in the Ross Sea. The Greenpeace vessel Esperanza stood by the Nisshin Maru with offers of help and a tow, and provided aerial ice-survey reports via its helicopter. After the Nisshin Maru left the Southern Ocean, the Esperanza visited Sydney harbour briefly, before proceeding to Yokohama.

Greenpeace Australia Pacific maintained links with the whale watching industry by participating in the Sydney Whale Festival in Darling Harbour on May 18th to 20th.

In the lead up to the International Whaling Commission meeting in June, Greenpeace Australia-Pacific created a high profile public event involving a large inflatable whale at Bondi Beach as part of the 'Big Blue March'. More than 200 Sydney siders turned out to take part in this global Greenpeace event. Greenpeace Australia and Pacific spokespeople gave media comments during the IWC meeting in Anchorage Alaska. A staff member from our Suva office attended.

In October Greenpeace Australia Pacific promoted the "The Great Whale Trail" (<http://www.greenpeace.org/greatwhaletrail>) via our website, through media and by direct mail to our supporters. The project is a collaboration between Greenpeace and scientists involved in humpback whales research in the South Pacific. With financial support from Greenpeace, humpback whales from Rarotonga and New Caledonia were satellite-tagged by Cook Islands Whale Research and Opération Cétacés, respectively.

In November and December Greenpeace Australia Pacific was very active in ensuring that the new Australian government kept its promise to send a patrol vessel to the Southern Ocean to monitor the Japanese whaling fleet. Greenpeace Australia-Pacific also gave support to the Greenpeace vessel Esperanza as it sailed into the Southern Ocean from Japanese waters via New Zealand.

## **Directors' Report (continued)**

### **REVIEW OF OPERATIONS (continued)**

Greenpeace Australia-Pacific also launched an innovative petition with the Daily Telegraph newspaper to give Australians the opportunity to register their concerns about whaling directly with Japanese politicians. This was written with the support of the Greenpeace Japan office. Channel 9's Today Show also came on board and by Christmas more than 70,000 people had signed onto the petition.

#### **Oceans**

The bulk of our work in 2007 focussed on fisheries in and around the Pacific Rim.

This year Greenpeace Australia-Pacific campaigners continued our successful involvement with key regional fisheries management fora – including the South Pacific Regional Fisheries Management Organisation (SPRFMO), which set a historic benchmark to protect deep sea ecosystems from destruction by bottom trawling; the Forum Fisheries Committee which gained Pacific wide agreement on setting fishing reduction levels of 25% and 10% for Big eye and Yellow fin tuna, and the Western & Central Pacific Fisheries Commission, where informal agreement was generated among Pacific Island members to support a Greenpeace call to close designated high seas areas.

In May we also supported the Kadavu Provincial Council (KPC) to set up a network of Marine Reserves on the Great Astrolabe reef the fourth largest barrier reef in the world.

The biggest success of the campaign occurred at the Pacific Island Forum meeting in Tonga in October. Instead of simply getting the relatively new issue of protecting the tuna fishery onto the agenda, the meeting signed the Vava'u Declaration on Pacific Fisheries Resources. This declaration strongly echoes Greenpeace arguments and proposals for greater protection of the region's fisheries resource, and was strongly informed by Greenpeace lobbying widely throughout the Pacific and liaising with Australian and NZ fisheries officials.

#### **Climate / Energy**

Greenpeace Australia-Pacific continued to campaign actively throughout the year on the need to revolutionise the way that energy is generated in Australia and worldwide, particularly around the need for Australia to drastically reduce its use and exportation of fossil fuels such as coal.

The New South Wales election was an opportunity to contrast the incumbent government's stated position on climate change with the proposed Anvil Hill coal mine in the Hunter Valley. Greenpeace Australia-Pacific was able to raise significant public opposition to the mine highlighted by the attendance at a weekend camp in the Hunter Valley in June of over 500 people. Unable to keep up the financing for the project because of delays in the project approval, Centennial Coal sold the mine to Xstrada.

Greenpeace Australia-Pacific participated in the APEC (Asia-Pacific Economic Co-operation) energy ministers meeting in May/June in Darwin, which was the first stop in a national tour by Greenpeace renewable energy expert, Sven Teske. The tour was used as an opportunity to release the "energy [R]evolution - a sustainable OECD Pacific Energy Outlook [R]evolution" report.

In June Greenpeace Australia-Pacific used a laser to beam messages of concern about climate change onto the side of the Pasher Bulker, an empty coal ship that ran aground during an extreme storm near Newcastle NSW.

During the APEC meeting held in Sydney, Greenpeace Australia-Pacific also hosted the NGO International Press Centre, as NGOs were not given access to the APEC press centre. The coalition of NGO groups was instrumental in ensuring that the APEC process did not become a parallel process to the UN Framework Convention on Climate Change. It also ensured that Greenpeace was the lead environment group breaking news and comment about climate change issues raised at APEC.

## **Directors' Report (continued)**

### **REVIEW OF OPERATIONS (continued)**

Greenpeace Australia-Pacific was a major partner in The Big Switch ([www.thebigswitch.com.au](http://www.thebigswitch.com.au)) a web and activist based campaign to promote the issue of climate change during the federal election. Through the use of this tool and other campaign activities, Greenpeace Australia-Pacific was instrumental in securing the commitment of the incoming Labor government to ratify the Kyoto Protocol and to a 20% Mandatory Renewable Energy Target.

During the Bali Climate Change Conference in December, Greenpeace Australia-Pacific was part of a coalition of national and international groups that obtained the historic Bali roadmap, and a commitment from the Australian government to the 25-40% emissions reduction negotiating "range".

#### **Nuclear**

Greenpeace Australia-Pacific provided media commentary and other communications work to ensure that nuclear power not be used as a substitute for developing renewable energy technologies.

#### **Forests**

At the end of March the Australian government announced a \$200 million dollar global fund aimed at combating illegal logging overseas as an answer to Nicholas Stern's criticisms of Australia's lack of action on climate change. Greenpeace Australia-Pacific responded by demanding that the government follow through with their commitment of 2 years ago and introduce strong legislation to stop the importation of illegal timber into Australia.

The ITTO, an intergovernmental organisation, made up of tropical timber producer countries and countries consuming tropical timber held its 42nd annual session in Port Moresby, PNG. Greenpeace Australia-Pacific hung a banner on the hotel that hosted the meeting to draw attention to the ongoing destruction of the Paradise Forests of Papua New Guinea and Indonesia.

Greenpeace Australia-Pacific ran a 45 second TV advertisement with the message "don't destroy one home to build another", referring to the loss of PNG forests and forest communities to build suburbs in other countries.

Greenpeace Australia-Pacific worked together with local NGO partners and with the Lake Murray Clans of Papua New Guinea's Western Province to develop the Community Forestry Initiative to help conserve part of the largest remaining intact forest in PNG. More than 100 m<sup>3</sup> of sawn eco-timber was cut and sold within the Lake Murray area for local housing. The first 20m<sup>3</sup> shipment of 'select' grade ecotimber lumber was cut and was awaiting shipment to Australia at the end of 2007. This initiative would not have been possible without the financial support of the DOEN Foundation, which granted Euro73k in 2004 for three years. The grant was received in instalments and recognised as income upon expenditure on the project. The project was finalised in 2007 and final instalment received in January 2008.

#### **Genetically Engineered Foods**

In 2007 Greenpeace Australia-Pacific continued to campaign to keep the moratorium on GE canola in several Australian states in place. Over 25,000 post cards were sent to state Premiers calling for an extension to the moratorium.

Large food retailers were lobbied to respect consumer wishes and not stock foods containing GE ingredients. This resulted in strong public statements opposing genetically engineered foods by supermarkets Coles, Foodland and manufacturer Goodman Fielder (Australia's biggest end user of canola). Foodland and Goodman Fielder also wrote letters to state governments urging them to maintain the GE crop bans.

## **Directors' Report (continued)**

### **REVIEW OF OPERATIONS (continued)**

Greenpeace Australia-Pacific assisted with the media promotion of a visit by Japanese consumer group NoGMO, who represented 2.5 million Japanese consumers, which achieved significant media pick up demonstrating the market risks of lifting the GE crop bans.

A report "GE canola out of control in Canada" was published in December outlining how GE canola in Canada has resulted in, amongst other things, increased use of herbicides. This was preparation for a successful Australian tour by Canadian farmers in early 2008.

### **Paradise Forest 2007**

The main focus of the campaign is to:

- Protect the last intact forest landscapes (IFL) on the Island of New Guinea by challenging illegal logging and by gaining political support for a moratorium on industrial logging in IFL.
- Stop the conversion of key forest areas into pulp and palm oil plantations.
- The third strand to the moratorium strategy is to develop 'solutions' projects to enable forest based communities to make a choice about the future of their forests and their way of life through community based forest management.

The high profile and political work around illegal logging, with a strong focus on 'laundering' of timber through China, has helped push the EU towards legislation to ban illegal timber and to put China in the spotlight. In PNG through our public work, political lobbying, and research, by the middle of 2007 any notion that the forestry sector in PNG was operating legitimately, sustainably and in the interests of indigenous landowners was comprehensively discredited. Public awareness on the state of PNG's forestry sector both locally and internationally increased thanks to sustained markets and media campaigns.

The work in peatland areas in Indonesia in the second half of 2007 was the first move for the PF project into the broader moratorium goal. Simultaneously we continued the political work in the provinces of Papua to push for legislation for greater forest resource autonomy and to enable community based forest management. Further to this, the concept of community solutions to be funded through carbon/forest conservation funds has been raised and in both PNG and Papua provinces we will actively seeks donors and partner NGO's to bring this to reality.

These projects are designed to be in forest areas under imminent threat to demonstrate projects that can prevent deforestation, while providing communities with viable economic alternatives and autonomy. There is a strong level of expertise in PNG on community based forest management and one of our key activities is to facilitate the exchange of this knowledge to Papua. These projects will also serve to demonstrate that community based projects and funding mechanism(s) to reduce emissions from deforestation and degradation are valuable and effective prior to the implementation of Kyoto II.

The work of the Paradise Forests Project has lead us to having strong campaigning teams in Indonesia, PNG and China that challenge the drivers of forest destruction and climate change. This will continue and extend to the goal of a moratorium on deforestation. It means: we will hold the line on IFL's in Papua and PNG, we will continue to challenge China as a key driver of forest destruction (China is investing billions of dollars into palm oil in Indonesia and is the largest importer of tropical logs in the world), we will also push key traders and users of palm oil to reject palm oil from deforestation in order to build momentum towards a moratorium on deforestation in the Paradise Forests of Asia Pacific.

## **Directors' Report (continued)**

### **STATE OF AFFAIRS**

In the opinion of the Directors there were no significant changes in the state of affairs of the company that occurred during the financial year under review.

### **EVENTS SUBSEQUENT TO BALANCE DATE**

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the company, to affect significantly the operations of the company, the results of its operations, or the state of affairs of the company, in future financial years.

### **LEAD AUDITOR'S INDEPENDENCE DECLARATION**

The lead auditor's independence declaration is set out on page 10 and forms part of the director's report for financial year 2007.

### **REGISTERED OFFICE**

The company's registered office is as follows:

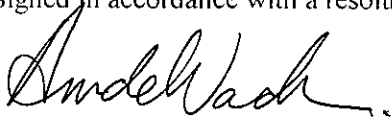
Greenpeace Australia Pacific Limited  
Level 4  
39 Liverpool Street,  
Sydney, NSW, 2000

### **INDEMNIFYING OFFICER OR AUDITOR**

The company has not, during or since the end of the financial year, in respect of any person who is or has been an officer or auditor of the company or a related body corporate:

- Indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings; or
- Paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings.

Signed in accordance with a resolution of the directors:



Ann de Wachter  
Director

Dated at Sydney this 25<sup>th</sup> day of March 2008



**Lead auditor's independence declaration under Section 307C of the Corporations Act 2001**


To: the directors of Greenpeace Australia Pacific Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 31 December 2007 there have been:

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

*KPMG.*

KPMG



Brett Mitchell  
KPMG

Sydney

*25 March* 2008

**Income statement**  
**For the year ended 31 December 2007**

	Note	2007 \$	2006 \$
Revenue:			
Fundraising revenue	2(a)	18,883,921	15,683,186
Other income	2(b)	669,973	1,046,067
<b>Total revenue</b>		<u>19,553,894</u>	<u>16,729,253</u>
Fundraising expenditure		(7,142,222)	(6,218,345)
Campaigning expenditure		(9,686,302)	(7,866,764)
Organisational Support		(1,666,794)	(1,602,054)
		<u>(18,495,318)</u>	<u>(15,687,163)</u>
<b>Surplus from operating activities</b>		<u>1,058,576</u>	<u>1,042,090</u>
Financial income	2(c)	354,349	303,467
Financial expenses	2(d)	(81,610)	(44,722)
<b>Net financing income</b>		<u>277,739</u>	<u>258,745</u>
<b>Surplus before income tax expense</b>		1,331,315	1,300,835
Income tax expense	1(l)	-	-
<b>Net surplus for the period</b>		<u>1,331,315</u>	<u>1,300,835</u>

*The income statement is to be read in conjunction with the notes to the financial statements set out on pages 15 to 30.*

**Statement of changes in accumulated funds**  
**For the year ended 31 December 2007**

	Accumulated surplus	Bequest Reserve	Total Equity
	\$	\$	\$
Opening balance 1 January 2006	502,180	2,576,306	3,078,486
Net surplus/(deficit) for the period	1,300,835	-	1,300,835
Transfer (to)/from reserves	539,064	(539,064)	-
<b>Closing balance 31 December 2006</b>	<u>2,342,079</u>	<u>2,037,242</u>	<u>4,379,321</u>
Opening balance 1 January 2007	2,342,079	2,037,242	4,379,321
Net surplus/(deficit) for the period	1,331,315	-	1,331,315
Transfer (to)/from reserves	(252,306)	252,306	-
<b>Closing balance 31 December 2007</b>	<u>3,421,088</u>	<u>2,289,548</u>	<u>5,710,636</u>

*The statement of changes in accumulated funds is to be read in conjunction with the notes to the financial statements set out on pages 15 to 30.*

**GREENPEACE AUSTRALIA PACIFIC LIMITED**  
**ABN 61 002 643 852**

**Balance sheet**  
**As at 31 December 2007**

	Notes	2007 \$	2006 \$
<b>Current assets</b>			
Cash and cash equivalents	6	6,477,406	6,207,518
Receivables	7	286,615	408,202
Other current assets	8	251,493	123,460
<b>Total current assets</b>		<u>7,015,514</u>	<u>6,739,181</u>
<b>Non-current assets</b>			
Property, plant and equipment	9	990,477	978,162
<b>Total non-current assets</b>		<u>990,477</u>	<u>978,162</u>
<b>Total assets</b>		<u>8,005,991</u>	<u>7,717,343</u>
<b>Current liabilities</b>			
Payables	10	743,415	1,460,951
Deferred revenue	11	930,954	1,344,767
Employee benefits	12	523,533	532,304
<b>Total current liabilities</b>		<u>2,197,902</u>	<u>3,338,022</u>
<b>Non-current liabilities</b>			
Employee benefits	12	97,453	-
<b>Total non-current liabilities</b>		<u>97,453</u>	<u>-</u>
<b>Total liabilities</b>		<u>2,295,355</u>	<u>3,338,022</u>
<b>Net assets</b>		<u>5,710,636</u>	<u>4,379,321</u>
<b>Accumulated funds</b>			
Accumulated surplus		3,421,088	2,342,079
Reserves		2,289,548	2,037,242
<b>Total accumulated funds</b>		<u>5,710,636</u>	<u>4,379,321</u>

*The balance sheet is to be read in conjunction with the notes to the financial statements set out on pages 15 to 30.*

**Statement of cash flows**  
**For the year ended 31 December 2007**

	Notes	2007 \$	2006 \$
<b>Cash flows from operating activities</b>			
Cash receipts from supporters		19,967,707	17,285,133
Cash payments to suppliers and employees		(19,834,752)	(16,990,684)
Cash generated from operations		132,955	294,449
Interest received		348,842	267,880
Net cash from operating activities	13	481,797	562,329
<b>Cash flows from investing activities</b>			
Proceeds from sale of property, plant and equipment		1,241	134,476
Acquisition of property, plant and equipment		(213,150)	(123,474)
Net cash from investing activities		(211,909)	11,002
Net increase in cash and cash equivalents		269,888	573,331
Cash and cash equivalents at 1 January		6,207,518	5,634,187
Cash and cash equivalents at 31 December	6	6,477,406	6,207,518

*The statement of cash flows is to be read in conjunction with the notes to the financial statements set out on pages 15 to 30.*

## **Notes to the financial statements**

### **1. Significant accounting policies**

Greenpeace Australia Pacific Limited (the 'Company') is a company domiciled in Australia.

The financial report was authorised for issue by the directors in March 2008.

#### **(a) Statement of compliance**

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards ('AASBs') adopted by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001. The financial report of the Company comply with the IFRSs and interpretations adopted by the International Accounting Standards Board.

#### **(b) Basis of preparation**

##### *Issued standards not early adopted*

No accounting standards and amendments that were available for early adoption but have not been applied by the company in these financial statements.

The adoption of these standards is not expected to have an impact on the financial results as the standards and the amendments are only concerned with disclosures.

#### **(c) Basis of measurement**

The financial report is prepared on the basis of historical costs and except where stated, does not take into account changing money values or fair values of non-current assets.

#### **(d) Use of estimates and judgements**

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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

## **Notes to the financial statements**

### **1. Significant accounting policies (continued)**

#### **(e) Property, plant and equipment**

##### *Owned assets*

Items of property, plant and equipment are stated at cost less accumulated depreciation (see below) and impairment losses (see accounting policy g). Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Only assets purchased with a value in excess of \$2,000 are capitalised. Software is not capitalised.

##### *Depreciation*

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated. The estimated useful lives in the current and comparative periods are as follows:

- |                           |               |
|---------------------------|---------------|
| • Buildings               | 40 years      |
| • Furniture and equipment | 3 – 4 years   |
| • Motor vehicles          | 4 years       |
| • Information technology  | 3 years       |
| • Ships                   | 10 years      |
| • Boats                   | 4 years       |
| • Leasehold improvements  | 2.7 – 4 years |

The residual value, if not insignificant, is reassessed annually.

#### **(f) Cash and cash equivalents**

Cash and cash equivalents comprises cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

## **Notes to the financial statements**

### **1. Significant accounting policies (continued)**

#### **(g) Impairment**

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indicator exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement, unless an asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through profit or loss.

##### *(i) Calculation of recoverable amount*

The recoverable amount of the Company's receivables carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate (i.e., the effective interest rate computed at initial recognition of these financial assets). Receivables with a short duration are not discounted.

The recoverable amount of other assets is the greater of their net selling price and value in use. 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 assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

##### *(ii) Reversals of impairment*

An impairment loss in respect of a receivable carried at amortised cost is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

In respect of other assets, 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.

#### **(h) Receivables**

Receivables are stated at their cost less impairment losses (see accounting policy g).

## **Notes to the financial statements**

### **1. Significant accounting policies (continued)**

#### **(i) Employee benefits**

##### *Wages, salaries, annual leave and sick leave*

Liabilities for employee entitlements to wages, salaries (including non-monetary benefits), annual leave and sick leave to be settled within 12 months of the reporting date representing present obligations resulting from employees' services provided up to the reporting date, calculated at undiscounted amounts based on remuneration rates that the company expects to pay including related on-costs.

##### *Long service leave*

The provision for employee entitlements to long service leave represents the present value of the estimated future cash outflows, to be made resulting from employees' services provided to reporting date.

The provision is calculated using estimated future increases in wage and salary rates including related on-costs and expected settlement dates based on turnover history and is discounted using the rates attached to national government securities at balance date which most closely match the terms of maturity of the related liabilities.

#### **(j) Payables**

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

#### **(k) Revenue**

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

Conditional bequests 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.

Sales revenue represents gross proceeds received and receivable from sales of merchandise to customers.

Interest revenue is recognised as it accrues.

The net gain of non-current asset sales are included in other income at the date control of the asset passes to the buyer. The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal.

## **Notes to the financial statements**

### **1. Significant accounting policies (continued)**

#### **(k) Revenue (continued)**

##### *Paradise Forests*

The company received funds from Stichting Greenpeace Nederland pursuant to a funding agreement to manage a specific project being the protection of the Paradise Forest. Unspent monies on the project are required to be returned to Stichting Greenpeace Nederland and accordingly income is only brought to account in line with expenditure made.

#### **(l) 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.

#### **(m) Foreign currency**

##### *Transactions*

Foreign currency transactions are translated to Australian currency at the rates of exchange ruling at the dates of the transactions. Amounts receivable and payable in foreign currencies at balance date are translated at the rates of exchange ruling on that date.

Exchange differences relating to amounts payable and receivable in foreign currencies are brought to account as exchange gains or losses in the income statement in the financial year in which the exchange rates change.

#### **(n) Goods and services tax**

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from the ATO is included as a current asset in the balance sheet.

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

## **Notes to the financial statements**

### **1. Significant accounting policies (continued)**

#### **(o) Reserves/Surplus**

Reserves are held to meet all identifiable liabilities the organisation may face in the event of a sudden cessation of operations. These liabilities are quantified and subjected to a risk assessment as part of the annual budget setting process. The level of reserves is set by the Board annually.

Any surplus in excess of the reserves level is held to enable investment into campaigning, fundraising or organisational strategic opportunities.

Bequests are only spent on campaigning. Due to the unpredictability of this form of income, each year an amount is transferred from/(to) the Bequest Reserve equal to the difference between bequests received during the year and an amount equal to the average of bequests received in the previous three years.

#### **(p) Expenses**

Net financing costs comprise interest payable on borrowings calculated using the effective interest method, interest receivable on funds invested and foreign exchange gains and losses.

Interest income is recognised in the income statement as it accrues, using the effective interest method.

**Notes to the financial statements**

	2007 \$	2006 \$
<b>2 (a) Revenue</b>		
Fundraising revenue:		
Supporter recruitment	2,667,606	2,437,799
Regular auto-giving	13,707,788	11,758,547
Membership renewals	279,415	275,927
Special appeals	340,026	308,846
Major donations & foundations	869,266	706,899
Bequest income	1,019,820	195,168
	<u>18,883,921</u>	<u>15,683,186</u>
<b>(b) Other income</b>		
Net gain on disposal of plant and equipment	545	(112,162)
Paradise Forests	633,352	1,068,156
Other income	36,076	90,073
	<u>669,973</u>	<u>1,046,067</u>
<b>(c) Financial income</b>		
Interest income	354,349	269,917
Foreign exchange gain	8	33,550
	<u>354,349</u>	<u>303,467</u>
<b>(d) Financial expenses</b>		
Interest expense	11	44,722
Foreign exchange loss	81,599	-
	<u>81,610</u>	<u>44,722</u>
<b>3 Personnel expenses</b>		
Wages, salaries and superannuation	<u>5,768,682</u>	<u>5,179,573</u>
<b>4 Auditors' remuneration</b>		
<b>Audit services</b>		
Auditors of the Company		
<i>KPMG Australia:</i>		
Audit of financial reports	31,300	28,400
Other audit services	3,200	3,000
	<u>34,500</u>	<u>31,400</u>

**Notes to the financial statements**

	2007	2006
	\$	\$
<b>5 Director's Compensation</b>		
The board approved payment of an honorarium for the Board Chair in recognition of the significant time required to fulfil the duties of the position.		
Honorarium paid	<u>25,000</u>	<u>25,000</u>
Directors received reimbursement of expenses only.		
<b>6 Cash and cash equivalents</b>		
On hand	5,156	5,922
On deposit	4,949,049	4,069,744
At bank	1,516,506	1,704,336
Paradise Forest Euro account	<u>6,695</u>	<u>427,516</u>
	<u>6,477,406</u>	<u>6,207,518</u>
The effective interest rate at balance sheet date for cash and cash equivalents is 6.3% (2006: 4.5%). The effective interest rates are for periods less than 6 months.		
<b>7 Receivables</b>		
Security deposits	54,500	72,115
Other debtors	210,571	205,290
Advances to:		
Greenpeace Canada	-	596
Greenpeace South-East Asia	-	128,722
Greenpeace France	751	750
Greenpeace Italy	-	729
Greenpeace New Zealand	10,891	-
Greenpeace China	<u>9,902</u>	<u>-</u>
	<u>286,615</u>	<u>408,202</u>
<b>8 Other</b>		
Advances	11,329	25,530
Prepayments	<u>240,164</u>	<u>97,931</u>
	<u>251,493</u>	<u>123,460</u>

**Notes to the financial statements**

**9 Property, plant and equipment**

<b>Cost</b>	<b>Land &amp; buildings</b>	<b>Leasehold improvements</b>	<b>Furniture &amp; equipment</b>	<b>Information technology</b>	<b>Vehicles</b>	<b>Boats</b>	<b>Other</b>	<b>Total</b>
Balance at 1 January 2006	719,311	451,346	139,530	992,434	313,271	248,000	1,420	2,865,312
Other acquisitions	-	-	10,371	79,103	34,000	-	-	123,474
Disposals	-	-	-	(166,017)	(88,703)	(248,000)	-	(502,720)
<b>Balance at 31 December 2006</b>	<b>719,311</b>	<b>451,346</b>	<b>149,901</b>	<b>905,520</b>	<b>258,568</b>	<b>-</b>	<b>1,420</b>	<b>2,486,066</b>
Balance at 1 January 2007	719,311	451,346	149,901	905,520	258,568	-	1,420	2,486,066
Other acquisitions	-	-	12,857	88,649	39,568	72,076	-	213,150
Disposals	-	(17,860)	(10,543)	(8,181)	-	-	-	(36,584)
<b>Balance at 31 December 2007</b>	<b>719,311</b>	<b>433,486</b>	<b>152,215</b>	<b>985,988</b>	<b>298,136</b>	<b>72,076</b>	<b>1,420</b>	<b>2,662,632</b>

**Notes to the financial statements**

9 Property, plant and equipment (continued)	Land & buildings	Leasehold improvements	Furniture & equipment	Information technology	Vehicles	Boats	Other	Total
<b>Depreciation and impairment losses</b>								
Balance at 1 January 2006	17,358	403,874	123,838	758,936	245,249	-	-	1,549,255
Depreciation charge for the year	20,559	24,191	10,156	123,945	30,412	-	-	209,263
Disposals	-	-	-	(161,912)	(88,702)	-	-	(250,614)
Balance at 31 December 2006	37,917	428,065	133,994	720,969	186,959	-	-	1,507,904
Balance at 1 January 2007	37,917	428,065	133,994	720,969	186,959	-	-	1,507,904
Depreciation charge for the year	20,559	20,208	9,309	118,939	31,124	-	-	200,139
Disposals	-	(17,860)	(10,543)	(7,485)	-	-	-	(35,888)
Balance at 31 December 2007	58,476	430,413	132,760	832,423	218,083	-	-	1,672,155
<b>Carrying amounts</b>								
At 1 January 2006	701,953	47,472	15,692	233,498	68,022	248,000	1,420	1,316,058
At 31 December 2006	681,394	23,281	15,907	184,551	71,609	-	1,420	978,162
At 1 January 2007	681,394	23,281	15,907	184,551	71,609	-	1,420	978,162
At 31 December 2007	660,835	3,073	19,455	153,565	80,053	72,076	1,420	990,477

**Notes to the financial statements**

	<b>2007</b>	<b>2006</b>
	<b>\$</b>	<b>\$</b>
<b>10 Payables</b>		
<b>Current</b>		
Trade creditors	421,915	577,772
Other creditors and accruals	138,766	293,542
Loans from		
Greenpeace International	81,200	547,903
Greenpeace New Zealand	-	423
Greenpeace USA	929	2,029
Greenpeace Japan	-	6,868
Greenpeace UK Ltd	69,644	14,192
Greenpeace Germany	-	702
Greenpeace China	-	13,931
Greenpeace India	-	3,589
Greenpeace South-East Asia	30,961	-
	<u>743,415</u>	<u>1,460,951</u>
<b>11 Deferred income</b>		
Paradise Forest project	917,665	1,309,377
Other projects	13,289	35,390
	<u>930,954</u>	<u>1,344,767</u>
<b>12 Employee benefits</b>		
<b>Current</b>		
Employee benefits	<u>523,533</u>	<u>532,304</u>
<b>Non-Current</b>		
Employee benefits	<u>97,453</u>	<u>-</u>

**Notes to the financial statements**

	Note	2007 \$	2006 \$
<b>13 Reconciliation of cash flows from operating activities</b>			
<b>Cash flows from operating activities</b>			
Surplus for the period		1,331,315	1,300,835
Adjusted for:			
Depreciation	9	179,931	185,072
Amortisation	9	20,208	24,191
Interest income		(354,349)	(269,917)
(Profit)/loss on sale of non-current assets		(545)	112,161
<b>Operating surplus before changes in working capital and provisions</b>		<u>1,176,560</u>	<u>1,352,342</u>
(Increase)/decrease in receivables and other assets		(6,445)	406,097
Increase/(decrease) in payables/deferred income		(1,125,842)	(1,427,696)
Increase/(decrease) in provisions		<u>88,682</u>	<u>(36,294)</u>
<b>Cash generated from operations</b>		132,955	294,449
Interest received		<u>348,842</u>	<u>267,880</u>
<b>Net cash from operating activities</b>		<u><u>481,797</u></u>	<u><u>562,329</u></u>

**14 Members' guarantee**

The company is limited by guarantee. If the company is wound up, the articles of association state that each member is required to contribute a maximum of \$5 towards meeting any outstanding obligations of the company. At 31 December 2007 the number of members was 56 (2006 – 56).

**15 Related party disclosures**

**Directors**

The names of directors in office at any time during the financial year were:

James Falk	Lynette Thorstensen
Ann de Wachter	Angela Mayersbach
Robert Wilson	Imrana Jalal
Graham Leung	Sean Kidney

Refer to note 5 for details of director's compensation.

**Notes to the financial statements**

	2007	2006
	\$	\$
<b>15 Related party disclosures (continued)</b>		
<b>Other related parties</b>		
<i>Loans</i>		
Loans between related entities are disclosed at notes 7 and 10.		
These loans are interest free and repayable on demand.		
<i>Other transactions</i>		
During the year contributions were made to:		
Greenpeace International Ltd	3,666,434	2,649,998
During the year cash was transferred to/(from):		
Greenpeace International Ltd	2,860,165	1,564,460
During the year the company also applied funds on behalf of:		
Greenpeace International Ltd	1,356,075	1,433,819
Greenpeace Brazil Ltd	68,993	-
Greenpeace Canada Ltd	-	56,160
Greenpeace China Ltd	195,431	93,339
Greenpeace France Ltd	-	751
Greenpeace Germany Ltd	-	13,035
Greenpeace India Ltd	3,589	610
Greenpeace Italy	-	729
Greenpeace Japan Ltd	6,868	46,930
Greenpeace Netherlands Ltd	190	3,664
Greenpeace New Zealand Ltd	65,153	114,990
Greenpeace South East Asia Ltd	92,273	418,266
Greenpeace Sweden Ltd	-	4,675
Greenpeace United Kingdom Ltd	18,451	8,276
Greenpeace USA Ltd	2,214	24,049
During the year funds were applied on behalf of the company by:		
Greenpeace Brazil Ltd	68,993	-
Greenpeace Canada Ltd	596	55,564
Greenpeace China Ltd	171,597	83,372
Greenpeace France Ltd	-	-
Greenpeace Germany Ltd	-	13,737
Greenpeace India Ltd	-	4,200
Greenpeace Italy Ltd	729	-
Greenpeace Japan Ltd	-	53,833
Greenpeace Netherlands Ltd	190	3,664
Greenpeace New Zealand Ltd	72,560	89,563
Greenpeace South East Asia Ltd	251,956	340,727
Greenpeace Sweden Ltd	-	4,675
Greenpeace United Kingdom Ltd	73,903	45,397
Greenpeace USA Ltd	1,114	18,720

## Notes to the financial statements

### 16 Financial Instruments

#### Credit risk

##### *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:

		2007 \$	2006 \$
Receivables	Note 7	286,615	408,202
Cash and cash equivalents	6	6,477,406	6,207,518
		<u>6,764,021</u>	<u>6,615,720</u>

Investments are allowed only in liquid securities and only with counterparties that have a credit rating equal to or better than the company.

There are no past due receivables. At the balance sheet date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

#### Liquidity risk

All financial assets and liabilities mature within 6 months of the reporting date.

#### Foreign currency risk

The company is exposed to foreign currency risk on transactions with related parties including projects/campaign costs and borrowings that are denominated in a currency other than Australian Dollars. The currencies giving rise to this risk are primarily Fijian Dollar, Papua New Guinea Kina and Euro.

In respect of other monetary assets and liabilities held in currencies other than Australian Dollars, the company ensures that the net exposure is kept to an acceptable level, by buying or selling foreign currencies at spot rates where necessary to address short-term imbalances.

#### Fair values

The net fair value of all assets and liabilities in the balance sheet approximates their carrying values.

### 17 Segment reporting

The company promotes public awareness of environmental issues and runs campaigns against environmentally destructive activities, using funds raised from various activities. The company's operations are within the Australian Pacific region. Any international campaigns are undertaken on behalf of Greenpeace International Ltd.

**Notes to the financial statements**

	2007	2006
	\$	\$
<b>18 Commitments</b>		
Operating lease commitment:		
Non-cancellable operating lease rentals are payable as follows:		
- Less than one year	348,743	318,444
- Between one and five years	<u>35,431</u>	<u>308,294</u>
	<u>384,174</u>	<u>626,738</u>

The company entity leases a number of warehouse and office facilities under operating leases. The leases typically run for a period of 3 years, with an option to renew the lease after that date. Lease payments are increased every year to reflect market rentals. None of the leases includes contingent rentals.

**19 Contingent liabilities**

**Legal Cases**

At balance date there were two legal cases outstanding. The total financial exposure is estimated by the directors at \$70,000 which has not been booked as a provision due to the uncertainty and contingent nature of same.

**Notes to the financial statements**

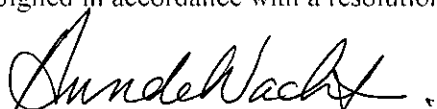
	2007 \$ '000	2006 \$ '000
<b>20 Fundraising Act Disclosures</b>		
Results of Fundraising Appeals		
Gross Proceeds from fundraising appeals	18,884	15,683
Less: Direct Costs of fundraising appeals	7,142	6,210
Net surplus from fundraising appeals	<u>11,742</u>	<u>9,473</u>
Application of net surplus obtained from fundraising appeals		
Campaigning	9,686	7,867
Administration	1,748	1,602
	<u>11,434</u>	<u>9,469</u>
Surplus transferred to/(from) Accumulated Surplus	<u>308</u>	<u>4</u>
Refer to the Reserves Accounting Policy Note for an explanation of how the net surplus from fundraising is applied.		
Analytical Percentages in accordance with Charitable Fundraising Act (NSW) 1991.		
Fundraising		
Total fundraising costs to fund raising gross income	38%	40%
Net surplus from fundraising to fundraising gross income	62%	60%
Campaigns		
Total cost of campaigns to total expenditure	52.1%	50.2%
Total cost of campaigns to total income	49.5%	47.0%
Refer to Accounting Policies for policy notes relevant to fundraising.		
There are no material issues or events that are expected to impact on fundraising.		
Appeals conducted throughout the year ended 31 December 2007		
<ul style="list-style-type: none"> <li>- High Giving - Trusts and Foundations</li> <li>- Personalised High Giving programme</li> <li>- Conversions - One off giving to Regular Giving</li> <li>- Community Fundraising</li> <li>- End of Calendar year giving</li> <li>- End of Tax year giving</li> </ul>		

## Directors' declaration

In the opinion of the directors of Greenpeace Australia Pacific Limited:

- (a) the financial statements and notes, set out on pages 11 to 30, are in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the financial position of the Company as at 31 December 2007 and of its performance, as represented by the results of its operations and its cash flows, for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and
- (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 the directors:



Ann de Wachter  
Director

Dated at Sydney this 25<sup>th</sup> day of March 2008

**DECLARATION BY CHAIRPERSON OF THE EXECUTIVE COMMITTEE**

**IN RESPECT OF FUNDRAISING APPEALS PURSUANT TO**

**SECTION 7(5) OF THE CHARITABLE FUNDRAISING**

**ACT 1991 - REGULATION**

I, Ann de Wachter, Chairperson of the executive committee of Greenpeace Australia Pacific Limited, declare, in my opinion:

- (a) the financial statements give a true and fair view of all income and expenditure of Greenpeace Australia Pacific Limited with respect to fundraising appeals;
- (b) the balance sheet gives a true and fair view of the state of affairs with respect to fundraising appeals;
- (c) the provisions of the Charitable Fundraising Act (NSW) 1991 and the regulations under that Act and the conditions attached to the authority have been complied with for the period 1 January 2007 to 31 December 2007; and
- (d) the internal controls exercised by Greenpeace Australia Pacific Limited are appropriate and effective in accounting for all income received.

Dated at Sydney this *25<sup>th</sup>* day of *March* 2008

  
\_\_\_\_\_

Ann de Wachter  
Chairperson of the Committee



## **INDEPENDENT AUDIT REPORT TO THE MEMBERS OF GREENPEACE AUSTRALIA PACIFIC LIMITED**

Pursuant to the Corporations Act 2001 and Charitable Fundraising (NSW) Act 1991 and Regulations

### **Overall scope**

We have audited the financial report of Greenpeace Australia Pacific Limited for the financial year ended 31 December 2007, consisting of the income statement, balance sheet, statement of changes in accumulated funds, statement of cash flows accompanying notes and the directors' declaration set out on pages 11 to 30. The Company's directors are responsible for the financial report. We have conducted an independent audit of this 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 financial reporting requirements in Australia and statutory 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.

### **Additional scope pursuant to the Charitable Fundraising (NSW) Act 1991**

In addition, our audit report has also been prepared for the members of the Company in accordance with Section 24(2) of the Charitable Fundraising (NSW) Act 1991. The Charitable Fundraising (NSW) Act commenced 1 September 1993. Accordingly we have performed additional work beyond that which is performed in our capacity as auditors under the Corporations Act 2001. These additional procedures included obtaining an understanding of the internal control structure for fundraising appeal activities and examination, on a test basis, of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising appeal activities pursuant to the Charitable Fundraising (NSW) Act 1991 and Regulations.

It should be noted that the accounting records and data relied upon for reporting on fundraising appeal activities are not continuously audited and do not necessarily reflect after the event accounting adjustments and the normal year end financial adjustments for such matters as accruals, prepayments, provisioning and valuations necessary for year end financial report preparation.

The performance of our statutory audit included a review of internal controls for the purpose of determining the appropriate audit procedures to enable an opinion to be expressed on the financial report. This review is not a comprehensive review of all those systems or of the system taken as a whole and is not designed to uncover all weaknesses in those systems.

The audit opinion expressed in this report pursuant to the Charitable Fundraising (NSW) Act has been formed on the above basis.



**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF GREENPEACE AUSTRALIA PACIFIC LIMITED (Continued)**

**Audit opinion pursuant to the Corporations Act 2001**

In our opinion, the financial report of Greenpeace Australia Pacific Limited is in accordance with:

- a) the Corporations Act 2001, including:
  - i. giving a true and fair view of the Company's financial position as at 31 December 2007 and of its performance for the financial year ended on that date; and
  - ii. complying with Accounting Standards in Australia and the Corporations Regulations 2001; and
- b) other mandatory financial reporting requirements.

**Audit opinion pursuant to the Charitable Fundraising (NSW) Act 1991**

In our opinion:

- (a) the financial report gives a true and fair view of the financial result of fundraising appeal activities for the financial year ended 31 December 2007;
- (b) the financial report has been properly drawn up, and the associated records have been properly kept for the period from 1 January 2007 to 31 December 2007, in accordance with the Charitable Fundraising (NSW) Act 1991 and Regulations;
- (c) money received as a result of fundraising appeal activities conducted during the period from 1 January 2007 to 31 December 2007 has been properly accounted for and applied in accordance with the Charitable Fundraising (NSW) Act 1991 and Regulations; and
- (d) there are reasonable grounds to believe that Greenpeace Australia Pacific Limited will be able to pay its debts as and when they fall due.

*KPMG.*

KPMG

  
Brett Mitchell  
Partner

Sydney, *25 March* 2008

## DISCLAIMER TO THE MEMBERS OF GREENPEACE AUSTRALIA PACIFIC LIMITED

The additional financial information presented on pages 36 and 37 is in accordance with the books and records of Greenpeace Australia Pacific Limited which have been subjected to the auditing procedures applied in our statutory audit of the company for the year ended 31 December 2007. It will be appreciated that our statutory audit did not cover all details of the additional financial information. Accordingly, we do not express an opinion on such financial information and no warranty of accuracy or reliability is given.

In accordance with our firm policy, we advise that neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any person (other than the company) in respect of such information, including any errors or omissions therein, arising through negligence or otherwise however caused.

*KPMG*

KPMG

**GREENPEACE AUSTRALIA PACIFIC LIMITED**  
**ABN 61 002 643 852**

**FINANCIAL DATA (EXCLUDING PARADISE FOREST OPERATIONS)**  
**INCOME AND EXPENDITURE STATEMENT**

For the year ended 31 December 2007

	2007 \$'000	2006 \$'000
<b>INCOME</b>		
Supporter Recruitment		
Auto payment	2,342	2,163
Other	326	276
Existing Supporters		
Autopayment	13,708	11,758
Special Appeals	340	309
Other	279	276
Other Fundraising Income		
Major Donors & Foundations	824	702
Bequest income	1,020	195
Other	11	46
Other Income		
Interest received	349	244
Profit on sale of fixed assets	1	(112)
Other	25	(51)
Total income	<u>19,225</u>	<u>15,806</u>
<b>EXPENDITURES</b>		
Fundraising		
Recruitment investment	4,800	3,756
Supporter communication and maintenance	2,342	2,440
Total Fundraising Expenditure	<u>7,142</u>	<u>6,196</u>
Campaigning		
Oceans	436	387
Toxics	-	1
Climate / Energy	1,249	754
Forests	622	627
Genetic Engineering	167	179
Media & Communications	1,366	950
Marine Operations & Action support	838	897
Public Information	266	179
Political, Science & Business	156	193
Other issues	-	53
Contribution to International Campaigning	3,735	2,654
Total Campaigning Expenditure	<u>8,835</u>	<u>6,874</u>
Organisational Support	1,748	1,602
Total expenditure	<u>17,725</u>	<u>14,672</u>
Operating surplus/(deficit)	<u>1,498</u>	<u>1,134</u>
Transfer (to)/from reserves	<u>(252)</u>	<u>539</u>
	<u>1,246</u>	<u>595</u>

*This financial data should be read in conjunction with the disclaimer on page 35.*

**GREENPEACE AUSTRALIA PACIFIC LIMITED**  
**ABN 61 002 643 852**

**FINANCIAL DATA PARADISE FOREST OPERATIONS**  
**INCOME AND EXPENDITURE STATEMENT**

For the year ended 31 December 2007

	<b>2007</b>	<b>2006</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>INCOME</b>		
Other Fundraising Income		
Major Donors & Foundations	45	-
Restricted contribution from GPI	633	1,068
Other Income		
Interest received	6	29
Other	-	77
	<hr/>	<hr/>
Total income	684	1,174
	<hr/>	<hr/>
<b>EXPENDITURES</b>		
Fundraising		
Special projects	-	14
	<hr/>	<hr/>
Total Fundraising Expenditure	-	14
	<hr/>	<hr/>
Campaigning		
Forests	788	901
Media & Communications	63	91
Political, Science & Business	-	1
Total Expenditure	851	993
	<hr/>	<hr/>
Operating surplus/(deficit)	(167)	167
	<hr/>	<hr/>

*This financial data should be read in conjunction with the disclaimer on page 35.*