

The Wilderness Society Inc

Financial Report

For the Year Ended 30 June 2015

The Wilderness Society Inc

Contents

For the Year Ended 30 June 2015

	Page
Financial Report	
Committee of Management's Report	1
Statement by Members of the Committee of Management	3
Statement of Comprehensive Income	4
Statement of Financial Position	5
Consolidated Statement of Changes in Equity	6
Consolidated Statement of Cash Flows	7
Notes to the Financial Statements	8
Auditors Independence Declaration	24
Independent Audit Report	25

The Wilderness Society Inc

Committee of Management's Report

30 June 2015

The Committee of Management submits the financial report of the Group for the financial year ended 30 June 2015.

1. General information

Committee of Management members

The names of Committee of Management members throughout the year and at the date of this report are:

James Johnson Convenor	Appointed 22 November 2010; elected 11 December 2010; re-elected 19 November 2011 Appointed Convenor 6 June 2012; re-elected as Convenor 17 November 2012; re-elected as Convenor 30 November 2013; re-elected as Convenor 29 November 2014
Coral Robinson Secretary	Elected 30 June 2010; re-elected 11 December 2010; re-elected 19 November 2011; re- elected 17 November 2012; re-elected 30 November 2013; Elected as Secretary 29 November 2014
Craig Zanker Treasurer	Appointed Treasurer 19 June 2015
Joel Trigg	Elected 17 November 2012; re-elected 30 November 2013; appointed acting Secretary by the Committee of Management 17 December 2013; Re-elected 29 November 2014
Debbie Dunn	Elected 30 November 2013; Re-elected 29 November 2014
Dermot Cox	Elected 30 November 2013; Re-elected 29 November 2014
Michelle Prior	Elected 29 November 2014
Brigitte Smith	Elected 29 November 2014
Donald Hellyer	Re-elected as Treasurer 30 November 2013; did not re-nominate 29 November 2014
Elizabeth Stevenson	Elected 30 November 2013; did not re-nominate 29 November 2014

Principal activities

The Wilderness Society Inc is one of the organisations that comprise the Wilderness Society. The Wilderness Society is a group of separately incorporated, not-for-profit, non-government organisations working together in a federation as members of The Wilderness Society Australia Inc (TWS Australia). The other members of TWS Australia are The Wilderness Society Queensland, The Wilderness Society Newcastle, The Wilderness Society Sydney, The Wilderness Society Victoria, The Wilderness Society Tasmania, The Wilderness Society South Australia and The Wilderness Society Western Australia.

The Wilderness Society Inc is an association incorporated in Tasmania. The majority of staff are located in Hobart, Melbourne and Sydney, with some staff located in other states.

The objective of the Association is protecting, promoting and restoring wilderness and natural processes across Australia for the survival and ongoing evolution of life on Earth.

The principal activities of the Wilderness Society Inc during the financial year were:

- The conduct of wilderness protection programs;
- National fundraising and membership activities and sales of merchandise;
- Communications to support wilderness protection, fundraising and membership; and
- Organisational business support functions.

The Wilderness Society Inc

Committee of Management's Report

30 June 2015

1. General information continued

Significant changes

No significant change in the nature of these activities occurred during the year.

2. Operating results and review of operations for the year

Operating result

The surplus/(deficit) of the Group for the financial year amounted to \$ 413,383 (2014: \$ 691,979).

Signed in accordance with a resolution of the Members of the Committee of Management:

Convenor: James Johnson
James Johnson

Treasurer: Craig Zanker
Craig Zanker

Dated this 4th day of November 2015.

The Wilderness Society Inc

Statement by Members of the Committee of Management


In the opinion of the Committee of Management the financial report as set out on pages 4 to 23:

1. Presents a true and fair view of the financial position of The Wilderness Society Inc and its controlled entities as at 30 June 2015 and its performance for the year ended on that date in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Associations Incorporations Act (Tas) 1964*.
2. At the date of this statement, there are reasonable grounds to believe that The Wilderness Society Inc and its controlled entities will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee of Management and is signed for and on behalf of the Committee of Management by:

Convenor 
James Johnson

4th November 2015

Treasurer 
Craig Zanker

Dated this 4th day of November 2015.

The Wilderness Society Inc

Consolidated Statement of Comprehensive Income

For the Year Ended 30 June 2015

	Note	2015 \$	2014 \$
Income			
Income from fundraising, donations, bequests and grants	2	11,596,814	12,681,827
Investment and other non-operating income	2	207,581	323,894
Total income		11,804,395	13,005,721
Less: Expenses			
Environmental campaigns and programs			
- National		1,525,036	1,298,146
- NSW		895,103	871,013
- VIC		593,159	616,800
- TAS		443,023	449,179
- SA		441,540	427,518
- WA		434,129	545,629
- QLD		543,835	667,752
- NT		-	1,630
- Wild country programs		53,405	111,364
- Community awareness events		172,236	319,272
- Membership & supporter engagement		683,568	649,068
Total environmental campaigns and programs		5,785,034	5,957,371
Fundraising expenses - recruitment of new supporters		1,744,592	2,108,346
Fundraising expenses - staff, appeals, supporter and other costs		2,286,135	2,420,675
Governance, finance and operations		1,483,337	1,464,270
Interest on Forever Wild Trust Loan		-	5,065
Bequests to The Wilderness Society Tasmania		-	26,331
Donation to Forever Wild Trust		91,914	331,684
Total Expenses		11,391,012	12,313,742
Net surplus/(deficit) for the year		413,383	691,979
Other comprehensive income		-	-
Total Comprehensive Income		413,383	691,979
Surplus for the year attributable to:			
Non-controlling interest		5,483	-
Parent entity		407,900	691,979
		413,383	691,979

The accompanying notes form part of these financial statements.

The Wilderness Society Inc

Consolidated Statement of Financial Position

As At 30 June 2015

	Note	2015 \$	2014 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	3,174,348	3,298,009
Trade and other receivables	4	131,563	239,693
Other assets	5	160,283	464,674
TOTAL CURRENT ASSETS		3,466,194	4,002,376
NON-CURRENT ASSETS			
Property, plant and equipment	8	848,840	77,708
Investment in Friends of the Wilderness	6	-	545,340
Intangible assets	7	109,946	68,641
TOTAL NON-CURRENT ASSETS		958,786	691,689
TOTAL ASSETS		4,424,980	4,694,065
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	270,919	612,744
Short-term provisions	10	678,522	1,026,264
Accrued expenses		457,940	751,892
TOTAL CURRENT LIABILITIES		1,407,381	2,390,900
NON-CURRENT LIABILITIES			
Long-term provisions	10	170,030	75,426
TOTAL NON-CURRENT LIABILITIES		170,030	75,426
TOTAL LIABILITIES		1,577,411	2,466,326
NET ASSETS		2,847,569	2,227,739
EQUITY			
Accumulated surpluses		1,627,278	1,581,951
Reserves	20	1,008,361	645,788
Non-controlling interest		211,930	-
TOTAL EQUITY		2,847,569	2,227,739

The accompanying notes form part of these financial statements.

The Wilderness Society Inc

Consolidated Statement of Changes in Equity

For the Year Ended 30 June 2015

2015

	Accumulated Surpluses \$	Tied funds \$	Priority campaign \$	Science & research \$	Non- controlling Interests \$	Total \$
Balance at 1 July 2014	1,581,951	342,041	33,932	269,815	-	2,227,739
Transfer from reserve	202,453	(42,603)	(25,053)	(134,797)	-	-
	1,784,404	299,438	8,879	135,018	-	2,227,739
Net surplus/(deficit) for the year	407,900	-	-	-	5,483	413,383
Transfers to reserve	(565,026)	469,911	64,680	30,435	-	-
Gain of control of unit trust	-	-	-	-	211,930	211,930
Distributions paid or provided for	-	-	-	-	(5,483)	(5,483)
Balance at 30 June 2015	1,627,278	769,349	73,559	165,453	211,930	2,847,569

2014

	Accumulated Surpluses \$	Tied funds \$	Priority campaign \$	Science & research \$	Non- controlling Interests \$	Total \$
Balance at 1 July 2013	1,235,100	108,404	62,521	129,735	-	1,535,760
Transfer from reserve	162,250	(68,165)	(53,642)	(40,443)	-	-
	1,397,350	40,239	8,879	89,292	-	1,535,760
Net surplus/(deficit) for the year	691,979	-	-	-	-	691,979
Transfers to reserve	(507,378)	301,802	25,053	180,523	-	-
Balance at 30 June 2014	1,581,951	342,041	33,932	269,815	-	2,227,739

The accompanying notes form part of these financial statements.

The Wilderness Society Inc

Consolidated Statement of Cash Flows

For the Year Ended 30 June 2015

	Note	2015 \$	2014 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from membership proceeds		686,866	785,433
Receipts from sales		121,876	111,865
Interest and dividends received		172,160	341,623
Donations and other receipts		11,546,607	12,489,840
Payments to suppliers and employees		(12,572,488)	(13,430,763)
Interest expense		-	(5,065)
Net cash provided by (used in) operating activities		(44,979)	292,933
CASH FLOWS FROM INVESTING ACTIVITIES:			
Acquisition of property, plant and equipment, and intangibles		(157,641)	(51,569)
Proceeds from investments		78,959	-
Net cash used by investing activities		(78,682)	(51,569)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Loan repayment to Forever Wild Trust		-	(167,365)
Net cash used by financing activities		-	(167,365)
Net increase (decrease) in cash and cash equivalents held		(123,661)	73,999
Cash and cash equivalents at beginning of year		3,298,009	3,224,010
Cash and cash equivalents at end of financial year	3	3,174,348	3,298,009

The accompanying notes form part of these financial statements.

The Wilderness Society Inc

Notes to the Financial Statements

For the Year Ended 30 June 2015

This financial report includes the consolidated financial statements and notes of The Wilderness Society Inc and its controlled entities (the Group). The Wilderness Society Inc is a not-for-profit association incorporated in Tasmania under the *Associations Incorporation Act (Tas) 1964*.

Each of the entities within the Group prepare their financial statements based on the currency of the primary economic environment in which the entity operates (Functional currency). The consolidated financial statements are presented in Australian Dollars which is the parent entities functional and presentational currency.

1 Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and interpretations issued by the Australian Accounting Standards Board, and the *Associations Incorporation Act (Tas) 1964*. The Association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on a accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

(b) Principles of Consolidation

The financial statements include the financial position and performance of controlled entities from the date on which control is obtained until the date that control is lost.

Intragroup assets, liabilities, equity, income, expenses and cashflows relating to transactions between entities in the consolidated entity have been eliminated in full for the purpose of these financial statements.

Appropriate adjustments have been made to a controlled entity's financial position, performance and cash flows where the accounting policies used by that entity were different from those adopted by the consolidated entity. All controlled entities have a June financial year end.

Having regard to recent interpretations in respect to the application of consolidation to not-for-profit entities, it has been assessed that The Wilderness Society Inc has control over The Friends of the Wilderness Society Unit Trust, and has been consolidated for the first time in 2015.

A list of controlled entities is contained in Note 14 to the financial statements.

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the parent has control. Control is established when the parent is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

(c) Business combinations

Business combinations are accounted for by applying the acquisition method which requires an acquiring entity to be identified in all cases. The acquisition date under this method is the date that the acquiring entity obtains control over the acquired entity.

The Wilderness Society Inc

Notes to the Financial Statements

For the Year Ended 30 June 2015

1 Summary of Significant Accounting Policies continued

(c) Business combinations continued

The fair value of identifiable assets and liabilities acquired are recognised in the consolidated financial statements at the acquisition date.

Goodwill or a gain on bargain purchase may arise on the acquisition date, this is calculated by comparing the consideration transferred and the amount of non-controlling interest in the acquiree with the fair value of the net identifiable assets acquired. Where consideration is greater than the net assets acquired, the excess is recorded as goodwill. Where the net assets acquired are greater than the consideration, the measurement basis of the net assets are reassessed and then a gain from bargain purchase recognised in profit or loss.

All acquisition-related costs are recognised as expenses in the periods in which the costs are incurred except for costs to issue debt or equity securities.

Any contingent consideration which forms part of the combination is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity then it is not remeasured and the settlement is accounted for within equity. Otherwise subsequent changes in the value of the contingent consideration liability are measured through profit or loss.

(d) Comparative Amounts

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

(e) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, deposits held at call with banks, other short-term highly liquid investments and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities in the statement of financial position.

(f) Trade and other receivables

The Group provides an allowance for impairment on trade receivables based on current recoverability of amounts owed.

(g) Inventories

Inventories are measured at the lower of cost and net realisable value.

(h) Property, Plant and Equipment

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

Plant and Equipment

Plant and equipment are measured on the cost basis less any accumulated depreciation and impairment losses. The carrying amount of plant and equipment is reviewed annually by the Committee of Management to ensure it is not in excess of the recoverable amount from these assets.

The Wilderness Society Inc

Notes to the Financial Statements

For the Year Ended 30 June 2015

1 Summary of Significant Accounting Policies continued

(h) Property, Plant and Equipment continued

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, is depreciated on a straight-line basis over the asset's useful life 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 shown below:

Fixed asset class	Depreciation rate
Plant and Equipment	20-50%
Leasehold improvements	33-50%

The land and buildings owned by the Group are heritage listed properties and are therefore not depreciated.

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to accumulated surpluses.

(i) Critical accounting estimates and judgments

Committee of Management members evaluate the estimates and judgemental 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 within the Group.

Key estimates - impairment

The Group assesses impairment at the end of each reporting year by evaluating conditions specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key judgements - employee benefits

For the purpose of measurement, AASB119: Employee Benefits defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the reporting period in which the employees render the related services. The Group expects most employees will not take their annual leave entitlements within this 12 month period in which they are earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements.

(j) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. For financial assets, this is the equivalent to the date that the Group commits itself to either the

The Wilderness Society Inc

Notes to the Financial Statements

For the Year Ended 30 June 2015

1 Summary of Significant Accounting Policies continued

(j) Financial instruments continued

purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- (a) the amount at which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments;
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and
- (d) less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

The classification of financial instruments depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and at the end of each reporting period for held-to-maturity assets.

The Group does not designate any interest as being subject to the requirements of accounting standards specifically applicable to financial instruments.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

The Wilderness Society Inc

Notes to the Financial Statements

For the Year Ended 30 June 2015

1 Summary of Significant Accounting Policies continued

(j) Financial instruments continued

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting year.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Group's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to be realised within 12 months after the end of the reporting period, which will be classified as current assets.

If during the period the Group sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investments category would be tainted and reclassified as available-for-sale.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to be sold within 12 months after the end of the reporting period.

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Fees payable on the establishment of loan facilities are recognised as transaction costs of the loan.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Fair Value

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

Impairment

Objective evidence that a financial asset is impaired includes default by a debtor, evidence that the debtor is likely to enter bankruptcy or adverse economic conditions in the stock exchange. At the end of each reporting period the Group assesses whether there is objective evidence that a financial asset has been impaired through the occurrence of a loss event. In the case of available-for-sale financial instruments, a significant or prolonged decline in the value of the instrument is considered to indicate that an impairment has arisen.

The Wilderness Society Inc

Notes to the Financial Statements

For the Year Ended 30 June 2015

1 Summary of Significant Accounting Policies continued

(j) Financial instruments continued

Where a subsequent event causes the amount of the impairment loss to decrease (e.g. payment received), the reduction in the allowance account (provision for impairment of receivables) is taken through profit and loss. However, any reversal in the value of an impaired available for sale asset is taken through other comprehensive income rather than net surplus/ (deficit) for the year.

Impairment losses are recognised through an allowance account for loans and receivables in the statement of comprehensive income.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in net surplus/(deficit) for the year.

When available-for-sale investments are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to net surplus/(deficit) for the year.

(k) Intangible Assets

Goodwill

Goodwill is calculated as the excess of the sum of:

- i) the consideration transferred;
- ii) any non-controlling interest; and
- iii) the acquisition date fair value of any previously held equity interest;

over the acquisition date fair value of net identifiable assets acquired.

The value of goodwill recognised on acquisition of each subsidiary in which the Group holds less than a 100% interest will depend on the method adopted in measuring the aforementioned non-controlling interest. The Group can elect to measure the non-controlling interest in the acquiree either at fair value ('full goodwill method') or at the non-controlling interest's proportionate share of the subsidiary's identifiable net assets ('proportionate interest method'). The Group determines which method to adopt for each acquisition.

Under the 'full goodwill method', the fair values of the non-controlling interests are determined using valuation techniques which make the maximum use of market information where available.

Software and website development

Software and website development has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of between one and three years.

The Wilderness Society Inc

Notes to the Financial Statements

For the Year Ended 30 June 2015

1 Summary of Significant Accounting Policies continued

(k) Intangible Assets continued

Amortisation

Amortisation is recognised in surplus or deficit on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use.

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

(l) Trade and other payables

Trade and other payables represents the liability outstanding at the end of the reporting period for goods and services received by the Group during the reporting period that remain unpaid. The balance is recognised as a current liability to the short term nature of these liabilities.

(m) Employee benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than twelve months after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on corporate bonds with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in net surplus/ (deficit) for the year.

(n) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(o) Income Tax

The Association is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

(p) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the Group are classified as finance leases.

The Wilderness Society Inc

Notes to the Financial Statements

For the Year Ended 30 June 2015

1 Summary of Significant Accounting Policies continued

(p) Leases continued

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for that period.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the Group will obtain ownership of the asset or over the term of the lease.

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

(q) Revenue and other income

Interest revenue is recognised over the period for which the funds are invested.

Revenue from the provision of services is recognised upon the delivery of the service to the customer.

Revenue from the provision of membership subscriptions is recognised when received.

Grant income is recognised when expensed in accordance with the terms of the funding agreement.

Donation income is recognised when the Association obtains control over the funds which is generally at the time of receipt.

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

(r) Economic dependence

The Wilderness Society Inc is a charity and is dependent on the commitment of over 40,000 individual Members and Financial Supporters to fund its charitable activities in service of its purpose and vision. At the date of this report the Committee of Management have no reason to believe that those individual Members and Financial Supporters will not continue to support the Wilderness Society Inc.

(s) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the 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 an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows in the consolidated statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

The Wilderness Society Inc

Notes to the Financial Statements

For the Year Ended 30 June 2015

2 Revenue

Revenue from continuing operations

	2015	2014
	\$	\$
- Donations	10,681,646	10,975,020
- Bequests	117,393	785,409
- Subscriptions	686,866	744,671
- Merchandise and sales	110,909	98,727
- Other income	-	78,000
	<u>11,596,814</u>	<u>12,681,827</u>
Non operating		
- Non operating	207,581	323,894
	<u>207,581</u>	<u>323,894</u>
	<u>11,804,395</u>	<u>13,005,721</u>

3 Cash and cash equivalents

	2015	2014
	\$	\$
Cash at bank and in hand	1,818,344	2,698,009
Short-term bank deposits	1,356,004	600,000
	<u>3,174,348</u>	<u>3,298,009</u>

4 Trade and other receivables

	2015	2014
	\$	\$
Trade receivables	113,691	221,865
Provision for impairment	(a) (934)	(934)
	<u>112,757</u>	<u>220,931</u>
Deposits	18,806	18,762
	<u>131,563</u>	<u>239,693</u>

(a) Impairment of receivables

Reconciliation of changes in the provision for impairment of receivables is as follows:

	2015	2014
	\$	\$
Balance at beginning of the year	934	17,916
Reversal of impairment	-	(16,982)
Balance at end of the year	<u>934</u>	<u>934</u>

The Wilderness Society Inc

Notes to the Financial Statements

For the Year Ended 30 June 2015

5 Other assets

	2015	2014
	\$	\$
CURRENT		
Prepayments	92,464	47,937
Accrued income	67,819	71,737
Buildings held in trust	-	345,000
	<u>160,283</u>	<u>464,674</u>

6 Investments

	2015	2014
	\$	\$
Friends of the wilderness - at fair value	-	545,340
	<u>-</u>	<u>545,340</u>

7 Intangible Assets

	2015	2014
	\$	\$
Computer software and website		
Cost	178,245	96,366
Accumulated amortisation and impairment	(68,677)	(27,725)
Net carrying value	<u>109,568</u>	<u>68,641</u>
Goodwill		
Cost	378	-
Net carrying value	<u>378</u>	<u>-</u>
Total Intangibles	<u>109,946</u>	<u>68,641</u>

(a) Movements in carrying amounts of intangible assets

	Computer software & website	Goodwill	Total
	\$	\$	\$
Year ended 30 June 2015			
Balance at the beginning of the year	68,641	-	68,641
Additions	81,879	378	82,257
Amortisation	(40,952)	-	(40,952)
Closing value at 30 June 2015	<u>109,568</u>	<u>378</u>	<u>109,946</u>

The Wilderness Society Inc

Notes to the Financial Statements

For the Year Ended 30 June 2015

8 Property, plant and equipment

	2015	2014
	\$	\$
Buildings		
At valuation	751,591	-
Total buildings	751,591	-
Plant and equipment		
At cost	426,691	394,563
Accumulated depreciation	(377,230)	(333,456)
Total plant and equipment	49,461	61,107
Improvements		
At cost	76,097	30,190
Accumulated depreciation	(28,309)	(13,589)
Total improvements	47,788	16,601
Total property, plant and equipment	848,840	77,708

The Wilderness Society Inc

Notes to the Financial Statements

For the Year Ended 30 June 2015

8 Property, plant and equipment continued

(a) Movements in carrying amounts of property, plant and equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land and Buildings \$	Plant and Equipment \$	Improvements \$	Total \$
Year ended 30 June 2015				
Balance at the beginning of the year	-	61,107	16,601	77,708
Additions on consolidation	751,591	2,275	-	753,866
Additions	-	29,854	45,906	75,760
Depreciation expense	-	(43,775)	(14,719)	(58,494)
Balance at the end of the year	751,591	49,461	47,788	848,840

The Wilderness Society Inc

Notes to the Financial Statements

For the Year Ended 30 June 2015

9 Trade and other payables

	2015	2014
	\$	\$
CURRENT		
Trade payables	224,467	228,890
Employee accruals	46,452	33,854
Property held in trust - TWS (Tasmania) Inc	-	350,000
	<u>270,919</u>	<u>612,744</u>

The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

10 Provisions

	2015	2014
	\$	\$
CURRENT		
Annual leave	433,410	357,164
Provision for payment of bequests	126,723	594,673
Long service leave	118,389	74,427
	<u>678,522</u>	<u>1,026,264</u>
NON-CURRENT		
Long service leave	170,030	75,426
	<u>170,030</u>	<u>75,426</u>

11 Financial Risk Management

The Group's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable, bank loans and overdrafts, loans and leases.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

		2015	2014
		\$	\$
Financial Assets			
Cash and cash equivalents	3	3,174,348	3,298,009
Trade and other receivables	4	131,563	239,693
Financial assets at fair value through profit or loss			
Friends of the wilderness - at fair value	6	-	545,340
Total financial assets		<u>3,305,911</u>	<u>4,083,042</u>
Financial Liabilities			
Financial liabilities at amortised cost			
Trade and other payables	9	270,919	262,744
Total financial liabilities		<u>270,919</u>	<u>262,744</u>

The Wilderness Society Inc

Notes to the Financial Statements

For the Year Ended 30 June 2015

12 Capital and Leasing Commitments

(a) Operating Leases

	2015	2014
	\$	\$
Minimum lease payments under non-cancelable operating leases:		
- not later than one year	250,967	183,235
- between one year and five years	392,628	212,023
	<u>643,595</u>	<u>395,258</u>

Operating leases have been taken out for office premises at Davey Street, Hobart, Brunswick Street, Fitzroy and Kippax St, Sydney

(b) Capital expenditure and finance lease commitments

There are no capital expenditure or finance lease commitments as at 30 June 2015.

13 Remuneration of Auditors

	2015	2014
	\$	\$
Remuneration of the auditor of the Association, Crowe Horwath Tasmania, for:		
- auditing and reviewing the financial statements	22,660	22,000

14 Interests in Subsidiaries

(a) Composition of the Group

	Principal place of business / Country of Incorporation	Percentage Owned (%) [*] 2015	Percentage Owned (%) [*] 2014
Subsidiaries:			
Friends of the Wilderness Unit Trust	Tasmania	72	72

^{*}The percentage of ownership interest held is equivalent to the percentage voting rights for all subsidiaries.

The Friends of Wilderness Unit Trust was set up in the 1980's as a vehicle to own property for The Wilderness Society Inc as no-one would rent it property. Over the years The Wilderness Society Inc has acquired 72% of the units in the trust and has control of the operation of the trust. The Friends of Wilderness owns property in Hobart and Launceston which it leases on a long term lease to The Wilderness Society Tasmania Inc.

15 Contingencies

In the opinion of the Committee of Management, the Group did not have any contingencies at 30 June 2015 (30 June 2014: None).

The Wilderness Society Inc

Notes to the Financial Statements

For the Year Ended 30 June 2015

16 Related Parties

The following transaction has occurred with Debbie Dunn who is a Committee Member of The Wilderness Society Inc:

EAP services to the value of \$495 (GST inc).

There have been no other related party transactions outside of those disclosed within this note and Note 17.

17 Events Occurring After the Reporting Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

18 Key Management Personnel Disclosures

The totals of remuneration paid to the key management personnel of The Wilderness Society Inc during the year are as follows:

	2015	2014
	\$	\$
Short-term employee benefits	572,021	561,791
Long-term benefits	17,846	10,028
	<u>589,867</u>	<u>571,819</u>

19 Fair Value Measurement

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as follows:

Level 1	Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	Unobservable inputs for the asset or liability.

The table below shows the assigned level for each asset and liability held at fair value by the Association:

30 June 2015	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Recurring fair value measurements				
Land and Buildings	-	751,591	-	751,591
30 June 2014	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Recurring fair value measurements				
Investment in Friends of the Wilderness	-	-	545,340	545,340

The current use of each asset measured at fair value is considered to be its highest and best use.

The Wilderness Society Inc

Notes to the Financial Statements

For the Year Ended 30 June 2015

20 Reserves

Restricted: Represents Grants made generally from non-government sources for specific purposes or outcomes. Restricted funds are funds received or reserves held that must be spent on the purpose for which they were received or are held. They comprise of:

- Grant funding and related interest that must be spent in accordance with the terms of the funding agreement; and
- Significant donations, sponsorships and bequests where the supporter indicates a preference for how the funds should be spent.

The Wilderness Society Inc also ties funds for specific purpose and activity which are allocated through organisational planning processes. These funds are allocated to priority campaigns over multiple years or set aside for specific science and research projects and both ensure that The Wilderness Society Inc can continue to undertake long term thinking and planning with regards to continental scale solutions, fundamental ecological processes and broad policy development. All other funds are unrestricted in that the Committee of Management has the discretion to spend them on purposes for which The Wilderness Society Inc was established.

21 Association Details

The registered office of the Association is:
The Wilderness Society Inc
132 Davey Street
HOBART TAS 7000

The Wilderness Society Inc

Auditors Independence Declaration To the Directors of The Wilderness Society Inc

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2015, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Accounting Professional Ethical Pronouncements in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Crowe Horwath Tasmania



Alison Flakemore
Audit Partner

Dated this 21st day of October 2015.

Hobart, Tasmania.

The Wilderness Society Inc

Independent Audit Report to the members of The Wilderness Society Inc

Report on the Financial Report

We have audited the accompanying financial report of The Wilderness Society Inc, which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by members of the committee of management.

Committee of Management's Responsibility for the Financial Report

The Committee of Management of the Group are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Associations Incorporations Act (Tas) 1964* and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee of Management, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Accounting Professional Ethical Pronouncements.

The Wilderness Society Inc

Independent Audit Report to the members of The Wilderness Society Inc

Opinion

In our opinion the financial report of The Wilderness Society Inc is in accordance with the *Associations Incorporations Act (Tas) 1964*, including:

- (a) giving a true and fair view of the Group's financial position as at 30 June 2015 and of its performance and its cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements.



Crowe Horwath Tasmania



Alison Flakemore
Audit Partner



Dated this 29th day of October 2015.

Hobart, Tasmania.

The Wilderness Society Inc

Office Bearers For the year ended 30 June 2015

Convenor	James Johnson	4 Lombard Close Glebe NSW 2037
Secretary	Coral Robinson	17/11 Elamang Ave Kirribilli NSW 2061
Treasurer	Craig Zanker	2/171 Mason Street Newport VIC 3015
Members		
	Debbie Dunn	78 Alfred Street Nubeena TAS 7184
	Joel Trigg	14 Chelmsford Rd Mount Lawley WA 6050
	Dermot Cox	10 O'Hara Court Sandhurst VIC 3977
	Michelle Prior	12 Alkina Street Kenmore QLD 4069
	Brigitte Smith	29 Tennyson Street Elwood VIC 3184

The Wilderness Society Inc	Crowe Horwath Tasmania
 Mr Johnson Convenor 4 th Dated this 29 th day of October 2015. November 5	 Alison Flakemore Audit Partner Dated this 9 th day of November 2015.