

The Wilderness Society Inc

Financial Statements

For the Year Ended 30 June 2008

The Wilderness Society Inc

For the Year Ended 30 June 2008

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Management Committee's Report

30 June 2008

Your committee members submit the financial report of the society for the financial year ended 30 June 2008.

Committee Members

Margo Lockhart	Felicity Wishart
Nick Galloway	Gary Dorahy
Michael Connors	Christine Olsen

Principal Activities

The principal activities of the society during the year were:

- The conduct of wilderness protection programs
- Fundraising
- The administration and servicing of the members of the Society
- The sale of wilderness calendars and diaries
- The supply of wilderness education information

Significant Changes

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

Operating Results

The profit/(loss) for ordinary activities was a net loss of \$1,350,209 in comparison to a net loss of \$741,263 in 2007.

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

Director: *Ms Connors*

Director: *M Lockhart*

Dated this *14th* day of *October* 2008

The Wilderness Society Inc

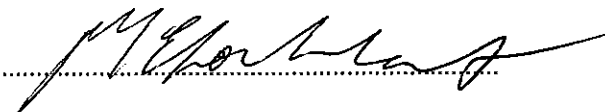
Statement by Members of the Committee

In the opinion of the committee the financial report:

1. Presents a true and fair view of the financial position of The Wilderness Society Inc as at 30 June 2008 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Standards board.
2. At the date of this statement, there are reasonable grounds to believe that The Wilderness Society Inc 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 and is signed for and on behalf of the Committee by:

Director 

Director 

Dated this 14th day of October 2008

Income Statement

For the Year Ended 30 June 2008

	Note	2008 \$	2007 \$
Revenue			
Sales		178,370	151,641
Fees		-	6,816
Interest Income		273,038	281,830
Dividend Income		10,762	11,989
Member Subscriptions		977,182	882,748
Grants		254,041	7,816
Fundraising		12,556,120	10,373,587
Expense Reimbursements		272,906	178,193
Other Income		11,178	258,240
Total Revenue		14,533,597	12,152,860
Expenditure			
Accounting fees		34,200	30,492
Advertising		23,083	26,129
Bad debts		(5,000)	5,000
Bank charges		183,223	243,212
Campaign Centre Subsidy		3,539,157	2,716,711
Campaigning Costs		1,003,945	290,589
Conference/Seminar costs		82,357	99,301
Computer expenses		99,898	134,140
Legal & Consultants Fees		928,456	726,405
Depreciation		104,873	89,228
Donations		319,580	1,154,964
Grants		-	43,500
Insurance		105,253	120,268
Lease rentals on operating lease		212,506	134,865
Market research		4,773	15,426
Other Occupancy Costs		131,504	12,735
Other employee costs		525,262	395,104
Licenses & Registrations		61,242	32,552
Postage & Packaging		741,198	537,358
Printing & Stationery		411,740	409,874
Recruitment		217,141	221,661
Repairs and maintenance		2,754	3,085
Research and development costs		15,000	42,500
Resource Library		5,405	-
Salaries		5,289,485	3,791,587
Subcontracting costs		11,006	-
Sundry expenses		122,507	65,428
Superannuation contributions		547,334	607,892

This statement should be read in conjunction with the accompanying notes

The Wilderness Society Inc

Income Statement

For the Year Ended 30 June 2008

	2008	2007
Note	\$	\$
Telephone and fax	286,470	191,452
Training	125,737	124,104
Travel & Accommodation	627,483	502,371
Travel & Accommodation - Overseas	126,608	46,860
Telemarketing	(375)	79,331
Total Expenses	(15,883,805)	(12,894,124)
Profit attributable to members	(1,350,208)	(741,264)

This statement should be read in conjunction with the accompanying notes

Balance Sheet

30 June 2008

	Note	2008 \$	2007 \$
ASSETS			
Current assets			
Cash and cash equivalents	2	3,582,493	4,800,663
Trade and other receivables	3	390,447	193,145
Other current assets	4	78,885	218,220
Total current assets		4,051,825	5,212,028
Non-current assets			
Property, plant and equipment	5	499,957	491,426
Other non-current assets	4	427,507	422,267
Total non-current assets		927,464	913,693
TOTAL ASSETS		4,979,289	6,125,721
LIABILITIES			
Current liabilities			
Trade and other payables	6	2,034,503	1,922,965
Short-term borrowings		30,848	16,860
Short-term provisions	7	365,056	259,160
Total current liabilities		2,430,407	2,198,985
Non-current liabilities			
Trade and other payables	6	350,000	390,458
Other long-term provisions	7	134,724	121,911
Total non-current liabilities		484,724	512,369
TOTAL LIABILITIES		2,915,131	2,711,354
NET ASSETS		2,064,158	3,414,367
EQUITY			
Retained earnings		2,064,158	3,414,367
TOTAL EQUITY		2,064,158	3,414,367

This statement should be read in conjunction with the accompanying notes

Statement of Changes in Equity

For the Year Ended 30 June 2008

2008

	Note	Retained Earnings \$	Total \$
Balance at Sunday, 1 July 2007		3,414,367	3,414,367
Profit attributable to members		(1,350,209)	(1,350,209)
Transfers to and from reserves		-	-
Sub-total		(1,350,209)	(1,350,209)
Balance at 30 June 2008		2,064,158	2,064,158

2007

	Note	Retained Earnings \$	Total \$
Balance at 1 July 2006		4,155,631	4,155,631
Profit attributable to members		(741,264)	(741,264)
Transfers to and from reserves		-	-
Sub-total		(741,264)	(741,264)
Balance at 30 June 2007		3,414,367	3,414,367

This statement should be read in conjunction with the accompanying notes

Cash Flow Statement

For the Year Ended 30 June 2008

	2008	2007
Note	\$	\$
Cash from operating activities:		
Receipts from members	991,010	864,864
Receipts from sales	178,370	151,641
Interest received	273,316	275,791
Operating grant receipts	377,929	7,816
Other donations and receipts	12,733,347	10,682,849
Payments to suppliers and employees	(15,366,274)	(11,477,970)
Net flows from Goods & Services Tax	28,929	(28,699)
Net cash provided by (used in) operating activities	8(b) (783,373)	476,292
Cash flows from investing activities:		
Proceeds from sale of plant and equipment	2,298	-
Acquisition of property, plant and equipment	(116,396)	(95,462)
Purchase of units	(5,240)	(2,620)
Net cash provided by (used in) investing activities	(119,338)	(98,082)
Cash flows from financing activities:		
Receipt of loans from related entities	80,592	-
Payment of loans to related entities	(90,458)	(69,061)
Payment to The Forever Wild Trust	(319,580)	(1,154,964)
Net cash provided by (used in) financing activities	(329,446)	(1,224,025)
Net increase (decreases) in cash held	(1,232,157)	(845,815)
Cash at beginning of financial year	4,899,530	5,745,345
Cash at end of financial year	8(a) 3,667,373	4,899,530

This statement should be read in conjunction with the accompanying notes

Notes to the Financial Statements

For the Year Ended 30 June 2008

1 Accounting policies

(a) General information

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Associations Incorporation Act of Tasmania.

The financial report covers The Wilderness Society Inc as an individual entity. The Wilderness Society Inc is an association incorporated in Tasmania under the Associations Incorporations Act 1964.

The financial report of The Wilderness Society Inc as an individual entity complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

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

(b) Basis of preparation

Reporting Basis and Conventions

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

(c) Comparatives

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

(d) Cash and cash equivalents

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

(e) Trade and other receivables

The society considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required.

Notes to the Financial Statements

For the Year Ended 30 June 2008

1 Accounting policies (cont'd.)

(f) Property, plant and equipment

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

Property

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

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

Plant and equipment

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

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, is depreciated on a straight-line basis over their useful lives 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 assets are:

Class of Fixed Asset

Furniture, Fixtures and Fittings	13% - 100%
Leasehold improvements	33% - 50%

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

(g) Impairment of assets

The society monitors the recoverability of assets, based on factors such as current market value, future asset utilisation, business climate and future undiscounted cash flows expected to result from the use of the related assets. The society's policy is to record an impairment loss in the period when it is determined that the carrying amount of the asset may not be recoverable. To 30 June 2008, no impairment losses have been recorded.

(h) Trade payables

Trade and other payables are stated at cost, which approximates fair value due to the short term nature of these liabilities.

Notes to the Financial Statements

For the Year Ended 30 June 2008

1 Accounting policies (cont'd.)

(i) Borrowings

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

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

(j) Fees received in advance

All memberships received within a financial year include the first year of prepaid two or three year payments and are allocated to that financial year.

Prepaid memberships received for two or three years are allocated to the respective financial years and will form a part of prepaid memberships years one and two respectively.

(k) Goods and Services Tax (GST)

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

Cash flows are presented in the cash flow statement on a net basis, and the GST component shown as a separate movement. The GST component of investing and financing activities is disclosed as operating cash flow.

(l) Employee benefits

Provision is made for the society's liability for employee benefits arising from services rendered by employees to balance date. 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, plus related on-costs. Employee benefits payable later than one year have been measured at present value of the estimated future cash outflows to be made for those benefits.

Contributions made by the Society to an employee superannuation fund are charged as expenses when incurred.

(m) Provisions

Provisions are recognised when the society has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. If the effect is material, provisions are determined by discounting the expected future cash flows using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability.

Notes to the Financial Statements

For the Year Ended 30 June 2008

1 Accounting policies (cont'd.)

(n) Income taxes

No provision for income tax has been raised as the society is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

(o) Revenue

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

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

Revenue from investment properties is recognised on an accruals basis or straight-line basis in accordance with lease agreements.

Dividend revenue is recognised when the right to receive a dividend has been established.

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

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

(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 entities in the Society are classified as finance leases.

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 the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(q) Critical accounting estimates and judgments

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

Notes to the Financial Statements

For the Year Ended 30 June 2008

1 Accounting policies (cont'd.)

(q) Critical accounting estimates and judgments (cont'd.)

Key estimates - Impairment

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

(r) Financial Instruments

(i) Financial assets

All investments are initially recognised at cost, being the fair value of the consideration given and the costs of acquisition.

Subsequent to initial recognition:

- Investments classified as held for trading are measured at fair value. Gains or losses on investments held for trading are recognised in the income statement.

- Investments classified as held for available for sale are measured at fair value. Gains or losses on investments available for sale are recognised as a separate component of equity until the investment is sold or is determined to be impaired, at which time the cumulative gain or loss previously recognised in equity is included in the income statement.

- Investments classified as held to maturity are measured at amortised cost using the effective interest method. Amortised cost is calculated by considering any discount or premium on acquisition, over the period to maturity. Gains or losses on investments held to maturity are recognised in the income statement when the investments are derecognised or impaired.

Fair values of quoted investments are determined by reference to current bid prices on recognised stock exchanges.

Investment in Friends of the Wilderness Unit Trust is an unlisted unit trust for which market value is not readily ascertainable. Units in the Friends of the Wilderness Unit Trust are shown at cost.

(ii) Subject to fluctuations in interest rates - no derivative instruments

The financial risk is the risk to the Society's earnings that arises from fluctuations in interest rates and the degree of volatility of these rates. The Society does not use derivative instruments to reduce its exposure to interest rate fluctuations.

Notes to the Financial Statements

For the Year Ended 30 June 2008

1 Accounting policies (cont'd.)

(r) Financial instruments (cont'd.)

(iii) Limited due to large customer base

Financial instruments that potentially subject the society to concentrations of credit risk consists principally of trade accounts receivable and are limited due to the large number of customers comprising the society's customer base.

(iv) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet cash flow commitments associated with financial instruments. To manage this risk, the society maintains a portion of its invested assets in liquid securities.

(v) Commodity price risk

The society's operations are not exposed to fluctuations in commodity prices.

2 Cash and cash equivalents

	2008	2007
	\$	\$
Cash on hand	3,681	2,998
Cash at bank	777,553	841,938
Short-term bank deposits	2,801,260	3,955,727
	<u>3,582,494</u>	<u>4,800,663</u>

3 Trade and other receivables

	2008	2007
	\$	\$
CURRENT		
Trade receivables	255,282	93,108
Loan Account Bleyer Lawyers	50,000	-
Provision for impairment of receivables	-	(5,000)
	<u>305,282</u>	<u>88,108</u>

Notes to the Financial Statements

For the Year Ended 30 June 2008

3 Trade and other receivables (cont'd.)

(a) Aged analysis

The ageing analysis of trade receivables is as follows:

	2008	2007
	\$	\$
0-30 days	196,101	87,931
31-60 days	26,863	110
61-90 days (past due not impaired)	28,694	67
91+ days (past due not impaired)	3,624	-
	255,282	88,108

4 Other Assets

	2008	2007
	\$	\$
CURRENT		
Prepayments	53,475	89,410
Barter Card	-	1,869
TWS Australian Loan	-	56,592
TWS Qld Inc Loan	-	24,000
Security Deposits	14,760	5,706
Clearing Accounts	(7,562)	(7,379)
Accrued Interest	32,972	53,728
	93,645	223,926
NON-CURRENT		
Friends of Wilderness Unit Trust	311,780	306,540
Bequest & Donation Investment	115,727	115,727
	427,507	422,267

5 Property plant and equipment

	2008	2007
	\$	\$
LAND AND BUILDINGS		
Buildings		
At cost	345,000	345,000
Total buildings	345,000	345,000

Notes to the Financial Statements

For the Year Ended 30 June 2008

5 Property plant and equipment (cont'd.)

	2008	2007
	\$	\$
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	602,205	511,681
Less accumulated depreciation	(457,322)	(372,258)
Total plant and equipment	<u>144,883</u>	<u>139,423</u>
Leasehold improvements		
At cost	46,157	25,996
Less accumulated depreciation	(36,083)	(18,993)
Total leasehold improvements	<u>10,074</u>	<u>7,003</u>
Total plant and equipment	<u>154,957</u>	<u>146,426</u>
Total property, plant and equipment	<u>499,957</u>	<u>491,426</u>

In 2002 the property was purchased from The Wilderness Society (Tasmania) Inc at a value attributed by Brothers & Newton on 15 May 2002. This represents the cost of the acquisition to the Wilderness Society Inc. The building is not currently depreciated as it is intended to hand the property back to The Wilderness Society (Tasmania) Inc.

(a) Movements in Carrying Amounts

	Buildings	Plant and Equipment	Improvements	Total
	\$	\$	\$	\$
Balance at the beginning of year	345,000	139,423	7,003	491,426
Additions	-	96,235	20,160	116,395
Disposals	-	(3,090)	(713)	(3,803)
Depreciation expense	-	(87,685)	(16,376)	(104,061)
Carrying amount at the end of year	<u>345,000</u>	<u>144,883</u>	<u>10,074</u>	<u>499,957</u>

6 Trade and other payables

	2008	2007
	\$	\$
CURRENT		
Trade payables	1,301,257	1,142,234
Income in advance	578,885	441,169
PAYG Payable	107,797	78,396
Superannuation Payable	46,564	34,311
	<u>2,034,503</u>	<u>1,696,110</u>

Notes to the Financial Statements

For the Year Ended 30 June 2008

6 Trade and other payables (cont'd.)

	2008	2007
	\$	\$
NON-CURRENT		
TWS Vic Loan Account	-	40,458
Monies Held in Trust - TWS (Tasmania) Inc	350,000	350,000
	<u>350,000</u>	<u>390,458</u>

Monies held in trust have arisen as a result of the purchase of land and buildings from The Wilderness Society (Tasmania) Inc. The purchase of The Wilderness Society Shop in Hobart for \$345,000 resulted in an amount payable to The Wilderness Society (Tasmania) Inc equal to \$129,000. Each month a payment was made to The Wilderness Society Inc, and continued to be paid until the monies held in trust equaled \$345,000. At that point the property was planned to be transferred back to The Wilderness Society (Tasmania) Inc. Title over the property is currently held by The Wilderness Society and will continue to hold title until the property is transferred.

7 Provisions

	2008	2007
	\$	\$
CURRENT		
Employee benefits	365,056	259,160
	<u>365,056</u>	<u>259,160</u>
	2008	2007
	\$	\$
NON-CURRENT		
Employee benefits	134,724	121,911
	<u>134,724</u>	<u>121,911</u>

Notes to the Financial Statements

For the Year Ended 30 June 2008

8 Cash Flow Information

(a) Reconciliation of cash

	2008	2007
Note	\$	\$
Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:		
Cash and cash equivalents	3,582,493	4,800,663
Bank overdraft	(30,848)	(16,860)
Bequest & Donation Investment	115,727	115,727
	3,667,372	4,899,530

(b) Reconciliation of Cash Flow from Operations with Profit after Income Tax

	2008	2007
	\$	\$
Net income/loss for the period	(1,350,209)	(742,763)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit		
Depreciation	104,873	89,228
Net gain on disposal of property, plant and equipment	694	-
Transfer of Bequests to The Forever Wild Trust	319,580	1,154,964
(Increase)/decrease in trade and term receivables	137,716	(60,392)
(Increase)/decrease in other assets	(117,340)	(88,744)
Increase/(decrease) in trade payables and accruals	121,313	86,664
Increase/(decrease) in provisions	-	37,335
	(783,373)	476,292

9 Financial Instruments

(a) Financial Risk Management Policies

The society's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable and loans to and from subsidiaries.

Notes to the Financial Statements

For the Year Ended 30 June 2008

9 Financial Instruments (cont'd.)

(i) Treasury Risk Management

A finance committee consisting of directors meet on a regular basis to analyse currency and interest rate exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

(ii) Financial Risk Exposures and Management

The main risks the society is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Interest rate risk

The society does not have any material interest rate risk. Any risk arising is managed through floating rate investments.

Liquidity Risk

The society manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

The society does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the society.

Price risk

The society is not exposed to any material commodity price risk.

(b) Interest Rate Risk

(i) Financial instrument composition and maturity analysis

The society's exposure to interest rate risk, which is the risk that a financial instruments value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

Notes to the Financial Statements

For the Year Ended 30 June 2008

9 Financial instruments (cont'd.)

(b) Interest Rate Risk (cont'd.)

	Weighted Average Effective Interest Rate		Floating Interest Rate		Maturing within 1 Year	
	2008	2007	2008	2007	2008	2007
	%	%	\$	\$	\$	\$
Financial Assets:						
Cash and cash equivalents	-	-	777,658	847,665	-	-
Short term deposits	7.28	5.70	-	-	2,916,882	-
Receivables	-	-	-	-	-	-
Total Financial Assets			777,658	847,665	2,916,882	-
Financial Liabilities:						
Bank loans and overdrafts	-	-	30,848	16,860	-	-
Trade and sundry payables	-	-	-	-	-	4,065,727
Amounts payable to related parties	-	-	-	-	-	-
Total Financial Liabilities			30,848	16,860	-	4,065,727
			Non-interest Bearing	Total		
			2008	2007	2008	2007
			\$	\$	\$	\$
Financial Assets:						
Cash and cash equivalents			-	-	777,658	847,665
Short term deposits			-	-	2,916,882	4,065,727
Receivables			444,141	364,997	444,141	364,997
Total Financial Assets			444,141	364,997	4,138,681	5,278,389
Financial Liabilities:						
Bank loans and overdrafts			-	-	30,848	16,860
Trade and sundry payables			2,001,530	1,922,965	2,001,530	1,922,965
Amounts payable to related parties			350,000	390,458	350,000	390,458
Total Financial Liabilities			2,351,530	2,313,423	2,382,378	2,330,283

(ii) Sensitivity Analysis

The society has performed a sensitivity analysis relating to its exposure to interest rate risk, liquidity risk and credit risk at the balance date. At 30 June 2008, the society is exposed to interest rate risk on investments. The effect on profit and equity as a result of changes in the interest rate risk, with all other variables remaining constant would be as follows:

	2008	2007
	\$	\$
Change in profit		
1% Increase in Interest Rate	29,169	40,657
1% Decrease in Interest Rate	(29,169)	40,657

Notes to the Financial Statements

For the Year Ended 30 June 2008

10 Auditors' Remuneration

	2008	2007
	\$	\$
Remuneration of the auditor of the Society for:		
- Auditing or reviewing the financial report	10,500	8,000
- Other services	3,700	-

11 Related party transactions

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties, and which in management's opinion is comparable to amounts that would have been paid to non-related parties.

No committee member has received or become entitled to receive, during or since the financial years, a benefit because of a contract made by the society with the committee member or any entity which the committee member has a substantial financial interest, other than in the ordinary course of business.

Key Management Personnel - Compensation Practices

The Committee's policy for determining the nature and amount of compensation of key management for The Wilderness Society Inc is as follows:

The compensation structure for key management personnel is based on a number of factors, including length of service, particular experience of the individual concerned, and overall performance of the society. The contracts for service between the society and key management personnel are on a continuing basis, the terms of which are not expected to change in the immediate future. Upon retirement key management personnel are paid employee benefit entitlements accrued to date of retirement.

12 Contingent Liabilities and Contingent Assets

A writ has been issued in the Supreme Court of Victoria against The Wilderness Society Inc and 5 of its employees and former employees; the matter is currently before the courts. At this stage it is not practicable to quantify, if any, a potential liability to The Wilderness Society Inc.

There are no other contingent liabilities or assets at 30 June 2008.

13 Capital and Leasing Commitments

(a) Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements

	2008
	\$
Payable - minimum lease payments	
- not later than 12 months	115,161
- between 12 months and 5 years	92,538
	<u>207,699</u>

Notes to the Financial Statements

For the Year Ended 30 June 2008

14 Events after the end of the reporting period

There have not been any event occurring after the end of the reporting period being 30 June 2008, which have had any impact on the financial statements or any other information contained within this financial report.

15 Economic Dependence

The ongoing viability of the society as a going concern is dependent on the continued receipt of fundraising, donations and grant funding.

16 Change In Accounting Policy

In the current year, the company has adopted all of the new and revised Standards and interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current annual reporting period. These include:

- AASB 7 Financial Instruments: Disclosures replaces the presentation requirements of financial instruments in AASB 132 and introduces new financial instrument disclosure requirements. There has been no financial impact on the financial statements.
- AASB 2007-5 Amendments to Australian Accounting Standard – Inventories Held for Distribution by Not for Profit Entities amends AASB 102 Inventories to require inventories held for distribution by not for profit entities to be measured at cost, adjusted when applicable for any loss of service potential. This change had no financial impact on the company.
- AASB 2007-7 Amendments to Australian Accounting Standards makes editorial amendments to six Standards. The key change removes the encouragement in AASB 107 Cash Flow Statements to adopt a particular format for the cash flow statement. The company did not intend to change any of its current accounting policies on adoption of AASB 2007-7; accordingly, there has been no financial impact to these financial statements.

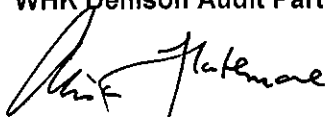
The Wilderness Society Inc

Auditors' Independence Declaration

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2008 there have been:

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

WHK Denison Audit Partnership



Alison Flakemore
Audit Partner

Dated this *29th* day of *September* 2008

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 balance sheet as at 30 June 2008, and the income statement, statement of changes in equity and cash flow statement for the year ended that date a summary of significant accounting policies, other explanatory notes and the statement by members of the committee.

Directors' Responsibility for the Financial Report

The directors of the society are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Incorporated Associations Act 1964 of Tasmania. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

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

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

The Wilderness Society Inc

Independent Audit Report to the members of The Wilderness Society Inc

Independence

In conducting our review, we have complied with the independence requirements of the Australian Professional Ethical Standards.

Auditor's Opinion

In our opinion the financial report of The Wilderness Society Inc is in accordance with the Incorporated Associations Act 1964 of Tasmania, including:

- (a) giving a true and fair view of the society's financial position as at 30 June 2008 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Incorporated Associations Act 1964 of Tasmania.

WHK Denison Audit Partnership



Alison Flakemore
Audit Partner

Dated this *20th* day of *October* 2008

THE WILDERNESS SOCIETY INC

Office Bearers For year ended 30 June 2008

Senior Facilitator: Margo Lockhart
20 Urquhart Street
NORTHCOTE VIC 3070

Treasurer: Gary Dorahy (*resigned May 2008*)
38 Denham Street
SURRY HILLS NSW 2010

Secretary: Nick Galloway (*resigned June 2008*)
78 Falconer Street
NORTH FITZROY VIC 3068

Business Development
Manager: Michael Connors
29 Rusden Street
BRIGHTON VIC 3186

National Campaigner: Felicity Wishart
C/- Level 2, 288 Brunswick Street
FITZROY VIC 3065

Committee Members: Christine Olsen
2A Thomas Street
SOUTH PRAHRAN VIC 3181

Joined July 2008

Facilitator/Trainer
Non-Profit Sector: Lyn Goldsworthy
5 Pails Place
GORDON ACT 2906


Eco-Tourism Operator: Rosemary Norwood
PO Box 212
DELORAINIE TAS 7304

Not on Committee of Management, but attend meetings

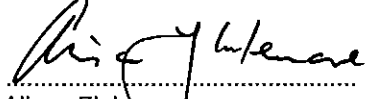
Executive Director: Alex Marr
C/- PO Box 188
CIVIC SQUARE ACT 2608

Chief Operating Officer: Marian Schoen
C/- GPO Box 716
HOBART TAS 7001

The Wilderness Society Inc


Margo Lockhart
Senior Facilitator

WHK Denison


Alison Flakemore
Audit Partner
WHK Denison Audit Partnership

Dated 15 day of Oct. 2008.

Dated 20th day of Oct. 2008.