



AUSTRALIAN  
CONSERVATION  
FOUNDATION



ANNUAL & SUSTAINABILITY REPORT 2008-09



## 4 Part 1: ACF's Sustainability Scorecard

## 6 Part 2: Our Environmental & Social impact

- 6 Our sustainable practices
- 7 Our own wellbeing
- 7 Reaching out

## 9 Part 3: Our Campaigns

- 9 The Climate Project – Australia
- 9 Saving Our Icons
- 9 Protecting the Coral Sea
- 10 Water for the Murray
- 10 From the Paddock to the Plate
- 10 Sustainable City Living
- 10 Uranium Not for Sale
- 11 Saving Papua New Guinea's Rainforests
- 11 Investor Roundtable on Sustainable Infrastructure
- 11 New National Park for Cape York

## 12 Part 4: Our Supporters

## 14 Part 5: Financials

- 16 Treasurer's report
- 17 Report of the independent auditor
- 14 ACF board
- 15 Board report
- 19 Financials



Dear ACF Supporter

What an important year it has been for climate change – and what an exceptional role you and your fellow ACF Supporters have played.

It was due to public pressure that the Australian Government passed the 20 per cent renewable energy legislation, which will see more of the energy used in this country sourced from renewable sources such as wind and solar, as well as increased investment into 'green jobs'.

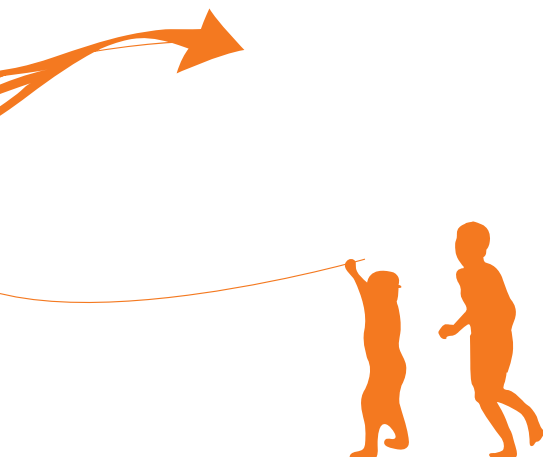
ACF Supporters should feel proud of their contribution to this campaign. So many of you joined together in our grass-roots campaign to write letters and visit Members of Parliament. The generous financial donations of so many Supporters also enabled ACF to campaign at a higher level.

There are many ways ACF Supporters contribute to successes like this. I have been really pleased with the growing number of ACF Supporters signing up to our e-newsletter, and participating in our online campaigns. Growing too, are the number of Supporters who financially assist ACF through EarthVoice, our regular giving program. Regular giving is vital for ACF, because it enables us to plan for the future and fund long-term initiatives and campaigns.

Of course, ACF volunteers also continue to work hard in our offices, donating their valuable time and energy to the 'behind the scenes' work.

Throughout the year I have been inspired by the dedication and commitment of ACF Supporters who, each in their own way, enable ACF to work with individuals, business, government and communities to create a healthier and more sustainable planet. I am excited about the road ahead and hope that you continue to walk along it with us.

**Ian Lowe, ACF President**





Dear ACF Supporter

This year, in the lead-up to the climate summit in Copenhagen, environmental campaigning took on an unprecedented urgency, and I was so proud of the role played by ACF and our supporters.

Thanks to a relentless campaign by ACF, backed by the actions of our supporters, the Federal Government strengthened the top end of its 2020 greenhouse pollution reduction target. ACF believes the Government's target to reduce carbon emissions by 25 per cent by 2020 as part of a 450ppm global agreement improves the chances of progress at the critical UN climate negotiations in Copenhagen. Australia has now shifted from being a laggard for 10 years on climate change to one of constructive engagement. Of course, much more needs to be done and ACF is continuing to press for a 350ppm global agreement and cuts of at least 40 per cent by 2020 by Australia.

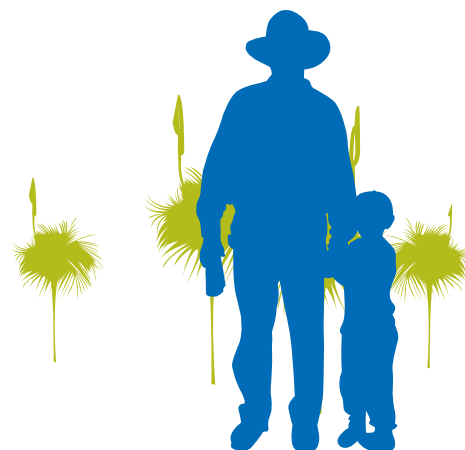
The history of ACF is filled with stories of extraordinary grassroots activism, and our ongoing efforts on climate change are no different. Over 24,000 people signed up to ACF's online activism site Who On Earth Cares and on Australia Day, families and community groups held special BBQs that let politicians know Australians are not prepared to lose our natural icons, like the Great Barrier Reef, to climate change.

The Climate Project – Australia has been an incredible voice for climate change. The Climate Project, Al Gore's program to train others to present their own An Inconvenient Truth, is hosted in Australia by ACF. Did you know, since the first round of presenter training, more than one in 70 Australians have seen a Climate Project presentation? That's an incredible achievement!

While climate change was making headlines, ACF was also focussing its attention on less prominent, but very important, environmental issues. ACF is part of an alliance campaigning for the Coral Sea to be properly protected as a marine reserve; pressure on politicians from ACF supporters saw increased flows to the Murray; and following an online campaign spread by ACF supporters, the proposed sale of uranium to Russia was stopped.

It's been an incredible year – an intense one, in terms of our campaigning – but also an inspiring one. The work that I see everyday being performed by ACF campaigners, staff and Councillors, as well as the dedication and enthusiasm of our supporters, makes me confident we are well-placed to take on the challenges of the future.

**Don Henry, Executive Director**







Sustainable environmental and social practices are the bedrock of the vital work carried out by the Australian Conservation Foundation. Here, in our *Annual & Sustainability Report 2008/09*, we do what we encourage all Australian businesses to do: we examine our own activities in the light of these best practices, and commit ourselves to improving our sustainability wherever possible.

Part One of this report summarises our organisational conduct and our advocacy work for the past 12 months – in reporting our sustainability for the second consecutive financial year, we continue to be guided by the leading international standard, the Global Reporting Initiative. In some areas we have significantly improved on measures from the preceding year, while in other areas we have fared worse. Better or not, the results spur us to demonstrate stronger leadership in limiting our environmental footprint, nurturing our staff and volunteers, inspiring our stakeholders, and managing our balance sheet.

We also 'score' our performance against key goals, which sit within the framework of the 10-year vision for Australia that ACF launched in 2005. This self-assessment challenges us to continually do better – to set greater long-term objectives and to work harder to achieve them.

Part Two of this report discusses in detail ACF's environmental and social impact. Part Three reviews our many campaigning achievements of the past year, the successes that ACF staff, volunteers and supporters collectively strive for; there is much to celebrate here. Part Four is devoted to our supporters, and how they enable us to instigate change for the common good. Lastly, Part Five details our financials.

ACF is an organisation that does a great deal to minimise its operational footprint – for example, double-sided printing on recycled paper is our norm; green power is standard, not just an option; the recycling of waste is habitual; our coffee beans are organic and fair-trade certified; our head office in Melbourne is one of the 'greenest' commercial buildings in the country; and we offset all greenhouse emissions from our electricity use, travel and waste generation.

*60L: a leader in sustainable commercial buildings.*

PHOTO: ACF



We have offices across Australia, though the majority of our staff work in Melbourne; our other offices, from second-largest to smallest, are in Sydney, Cairns, Canberra and Adelaide. ACF's governance structure includes an elected council of representatives from all states and territories, which meets at least three times every year to review or craft our policy positions. We also have a board of directors whose primary role is to ensure that ACF is run efficiently and effectively, by making certain that budgets

are responsibly prepared and observed, good financial and staff management is provided, and all plans and policies are properly implemented.

It is our hope that the pages of this report will give our members and other supporters a comprehensive insight into the way in which work, what we have recently accomplished, and the prospect of a healthy, thriving Australia that is our *raison d'être*.



## A Summary of ACF's Sustainability Performance in 2008/09

Sustainability measures	2007/08	2008/09	Change from prior year
<b>Environmental Performance</b>			
<b>Water:</b>			
Total water consumption <sup>1</sup> (kL)	274.6	262.9	↓
<b>Paper:</b>			
Total paper consumption <sup>2</sup> (A4 sheets)	273,000	292,858	↑
<b>Power:</b>			
Total electricity consumption <sup>3</sup> (kWh)	70,382	119,255	↑
<b>Travel:</b>			
Total distance flown by staff, Council and Board (km)	274.6	262.9	↑
Fuel consumption by ACF vehicle <sup>4</sup> (L)	1,396	914	↓
Employees who commute without a car (%)	90	88	↓
<b>Greenhouse gas emissions:</b>			
Total emissions offset <sup>5</sup> (tonnes CO <sub>2</sub> -equiv.)	476.73	598	↑
<b>Social Performance</b>			
<b>Employees:</b>			
Total number (FTE) <sup>6</sup>	72	81	↑
Overall level of satisfaction (%)	84	77	↓
Turnover rate (%)	9.5	11	↑
Average annual training per employee (hours)	23	30	↑
Employees covered by collective bargaining agreements <sup>7</sup> (%)	92	93	↑
<b>Members and supporters:</b>			
Total number <sup>8</sup>	39,845	39,331	↓
Belief in the influence of ACF advocacy <sup>9</sup> (%)	85	77	↓
<b>Outreach:</b>			
ACF media mentions			↓
– newspapers and magazines	1,161	1,057	↓
– radio and television	1,520	1,737	↑
Website hits (unique visitors per month)	30,000	25,000	↓
The Climate Project (Australians who have seen a presentation)	1 in 100	1 in 70	↑
<b>Economic Performance</b>			
Revenue	\$13,088,934	...	...
Major source of revenue	87% from supporters	...	...



## Meeting our commitments: the scorecard

Objectives	Annual targets	Did we achieve our objectives?	What happens next?
To be seen as inspirational and a leader on important environmental and social issues	ACF to be assessed in the annual stakeholder survey as an inspiring and influential leader focused on critical issues	Objectives to be set for the coming year	ACF will do a benchmark survey of stakeholders in September 2009 to establish the criteria for an annual target. From next year, we will measure this afresh just before each new sustainability report
To meet the goals set annually to help fulfil our 10-year plan	ACF to achieve at least 70% of Board-approved goals	Yes	We will continue to work towards our vision for 2015, which is of Australians acting together to: <ul style="list-style-type: none"> <li>• avoid dangerous climate change</li> <li>• create an ecologically sustainable nation</li> <li>• protect and manage the natural environment</li> <li>• care for country in Northern Australia and the Asia-Pacific region</li> </ul>
To meet our financial budget projections	ACF to achieve 2008/09 budget income and expenditure estimates	No	This has been a difficult year for philanthropy, due to the recent economic turmoil. However, we are well prepared to carry on our operations despite the slight downturn in income this past financial year
To be an influential voice in the media	ACF media mentions to be at least equivalent to 75% of 2007/08 mentions	Yes	We did well to increase our radio and television profile a year on from the 2007 federal election, when media attention was more focused. Our goal now is to gain even more exposure for key environmental issues
To value and retain our employees	ACF staff turnover ratio to remain within a 10–15% range	Yes	ACF will work to strengthen its leadership culture and the job satisfaction of all staff. In the striking of a new enterprise agreement early in 2010, we will continue to ensure that work conditions and staff salaries are competitive with comparable organisations in the Australian NGO sector
To further reduce the environmental impact of our operations	ACF to decrease its greenhouse gas emissions	No	Although we offset our greenhouse gas emissions in their entirety, we are nonetheless determined to minimise them. We were not successful in keeping this year's total lower than last year's, but will redouble our efforts to do so over the next 12 months

- 1 Data only available for Melbourne office, where approximately 35% of the water used was collected on-site via rainwater tanks.
- 2 Data not available for Adelaide office (approx. 1% of total staff). Total doesn't include outsourced printing.
- 3 Data not available for Adelaide office as it is not separately metered. Data for 2007/08 has been revised to include ACF's proportion of common area electricity usage in our head office.
- 4 Vehicle used by Cairns office for travel to remote locations to liaise with Indigenous communities.
- 5 Includes offsets for electricity and paper consumption, flights, taxi and car hire, ACF vehicle use, and staff car reimbursements.
- 6 Full-time equivalence (FTE) allows part-time and casual workers to be taken into account when defining employee numbers.
- 7 ACF's senior managers are employed under performance-based contracts. All other staff are covered by a ACF-ASU (Australian Services Union) collective bargaining agreement.
- 8 Comprises current financial members and supporters – those who made a financial contribution in the 2008/09 financial year.
- 9 Members/supporters were surveyed in August 2008 (there were 4888 respondents) and rated ACF's influence in three areas: local community, business and government.





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At ACF, we take our environmental and social impact very seriously. Making sure that the effects of our behaviour are as positive as possible is not a short-term goal but a long-term pledge, one that embodies the core message of our campaigns: each and every one of us can do something to improve the health of the planet and that of all its inhabitants – the greater our commitment, the greater the future benefits. Putting our own principles for wellbeing into everyday practice is also what gives us the capacity to inspire other Australians with our resolve, and to empower them with knowledge.

### **Our sustainable practices**

ACF is committed to reducing its own resource consumption and waste generation. Some excellent lessons in how to achieve this have been provided by our Melbourne office, the 60L Green Building, situated at 60 Leicester St, Carlton. ACF worked with the site's developers, the Green Building Partnership (GBP), to forge the building's outstanding sustainable design, which includes

rooftop photovoltaic arrays to capture solar energy, a central atrium and light wells that maximise the use of daylight, and a ventilation system of louvres and thermal chimneys that help the building to 'breathe'. The symbiosis between 60L and ACF has been such that, in mid-2009, GDP transferred ownership of the Green Building to us – a wonderful gift that honours ACF's environmental leadership.

Over the past year, water usage across all ACF offices has fallen by around four per cent, a figure that we hope to improve on over the next 12 months. However, ACF's consumption of A4 sheets of paper has risen by seven per cent since this time last year, albeit that we use predominantly recycled or responsibly sourced materials. This statistic is ameliorated by the fact that, on a per-employee basis, our usage has actually decreased from 3,903 to 3,616 sheets, which is partly explained by significant employee growth in 2008/09. An important issue for us to address is the tracking of outsourced printing, which makes up a considerable proportion of our paper use; we are currently looking at

ways of capturing this information over the coming year.

All ACF offices continue to rely on green power, and all of our carbon emissions have again been offset through the renewable energy investor Climate Friendly. Our total emissions for the past year were 598 tonnes (CO<sub>2</sub>-equiv.), a calculation that takes into account electricity and paper consumption, and also the flights, taxis and other vehicle use by staff and by members of the ACF Board and Council. This was a rise of 25% from the preceding year. One of our goals for 2008/09 was to decrease our total greenhouse gas emissions, and we are disappointed not to have achieved this. But we will strive to reverse this result in 2009/10.

A contributor to this rise in emissions was the increase in kilometres flown by staff over the last year. We are now looking to cut down on employee travel by making more use of online meeting tools such as Skype to conduct organisation-wide meetings.

We have also increased our workplace



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energy efficiency by improving our IT infrastructure. ACF's servers were recently in need of overhaul, but to do so would have involved buying and upgrading up to eleven servers. By making use of virtualisation technology, which partitions one physical server into several virtual ones, we are able to run our system on just three servers, leading to 40 per cent less datacentre energy consumption than would otherwise be required. The software we chose was VMware, a 2008 Banksia Award finalist in the 'Climate Change' category. In addition to this, our twice-yearly recycling of IT components continues, with still-usable material given away to staff and other organisations willing to put them to use.

ACF staff help to limit our emissions by how they commute. A recent staff survey found that compared to a year ago, more of our employees are using public transport. There has been a corresponding drop in the number of people riding bicycles to work, but hopefully ACF's advocacy of improved cycle-path networks in urban areas will help to make this form of transport more viable. One staff member has chosen the middle ground by riding a motorised scooter to work.

### Our own wellbeing

The ways in which we treat ourselves and each other are as important as our actions towards the environment if we are to establish a healthier way of life, one in which communities are focused on

spreading positive change and are fully engaged with the world around them. For ACF, it all begins with the wellbeing of our staff and volunteers.

ACF aims to foster a productive, positive and nurturing work environment for all staff and volunteers. In our most recent employee survey, 93 per cent of staff expressed a high level of commitment to ACF's vision and values; there was praise for ACF's "commitment to improving the environment in a determined, passionate, professional and strategic manner", and "the standing ACF has in the community – it's regarded as a trusted source". Meanwhile, 77 per cent of staff expressed an overall level of satisfaction with their work. While comparable to many other mission-driven organisations, this level of satisfaction is a little lower than that expressed at the same time last year. During 2008/09, the external environment presented many challenges for ACF staff, as it did for many other Australians concerned about climate change and the welfare of the planet. And internally, ACF grew significantly in size and complexity. In such times it is very important to strengthen our workplace culture and our leadership capacity, and there will be a renewed focus on this in 2009/10.

Our staff turnover rate was slightly higher than for the previous year, but at 11 per cent is well within the target range we have set of between 10–15 per cent. Our staff continue to be sustained

by the professionalism and passion of their colleagues – in the employee survey, there was acknowledgement of "great camaraderie and support" in the workplace, and a "strength in the relationships that helps with the stressful times". The effectiveness and public reputation of ACF is also highly motivating, as is the inspirational leadership of Don Henry. In October 2008, Don was named Equity Trustees' Not For Profit 2008 CEO of the Year, the not-for-profit sector's pre-eminent award. As the award's citation explains, "At a time when the effects of climate change are set to significantly affect people's lives, Don has done much to raise public awareness and inspire people to achieve a healthy environment". In accepting the accolade, Don acknowledged the great work of ACF staff, its Board, Councillors, members, supporters and volunteers.

By the end of the 2008/09 financial year, ACF had received offers of time, knowledge and experience from around 500 volunteers – during the past 12 months, over 4,300 hours of voluntary work were performed in the Melbourne office alone. The reflections of volunteer Swantje Lorrimer echo our aspirations for those who work with us: "I have to say that working in different volunteer roles for ACF has always been fun – it is great to belong to an organisation that represents solid values, that makes a difference and which employs friendly staff. On the whole I feel privileged to contribute to ACF's objectives and to add to my skill set in a meaningful way at the same time!"

### Reaching out

As well as to lead the way socially and environmentally, and to kindle individual action, ACF also has a responsibility to effectively represent the will of our supporters. It is reassuring to receive messages such as the following, communicated to us in the 2008 survey of our contributors: "I support ACF because I believe you act as I would if I had expertise, time and energy". However, the same survey revealed an eight per cent drop in belief in the influence of ACF advocacy, telling us we need to work harder to meet your expectations.

In 2008/09 we were very successful





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in garnering media attention for our campaigns, maintaining public awareness of critical environmental issues such as the proposed Carbon Pollution Reduction Scheme, the exciting opportunities for green-collar workers in Australia, and the interim and final reports of the Garnaut Climate Change Review. There were only slightly fewer references to ACF in newspapers and magazines compared to the previous financial year, and several hundred more mentions of our work on radio and television. Direct contact with our supporters is also on the rise. Subscriptions for the GreenHome newsletter, one of several ACF advocacy updates that are emailed to interested readers, grew by 2,740 in the past year – there are now over 10,300 people who regularly receive tips on greener living.

ACF's website received almost 300,000 visitors in the past year. Many became involved in our influential e-card strategies, including the successful effort to block a treaty that would have enabled the

sale of Australian uranium to Russia, and the groundswell of support for our 'Saving Australia's special places' campaign. In fact, there was an average of 575 e-actions per month, plus the online generation of hundreds of letters accompanied by a commitment to send them. ACF also set up a presence on Twitter in mid-January, where it currently has over 1500 followers; this is in addition to an existing Facebook account that is visited by 800 'friends'. We are resolved to use every avenue available to get our environmental messages out into the public realm.

We spoke with, listened to and learned from the public at events such as the wellbeing forum at Melbourne's Sustainable Living Festival in February this year. An attempt to gauge what really matters to Australians in light of the proven dangers of economic opportunism, the forum revealed that well over two-thirds of participants wanted Australia's greenhouse gas pollution to be reduced by 50 per cent, while almost as many wanted

100 per cent renewable energy and universal access to reliable public transport.

We also took part in many collaborations with fellow conservation organisations, community groups and businesses in the past 12 months. A partnership between ACF and The Body Shop resulted in 17,000 of the latter's customers signing postcards to let Prime Minister Rudd know of their concern over climate change. In October 2008, the 'Kevin, I care about climate change' campaign culminated in the acceptance of the cards on behalf of the Australian Government by the Hon. Anthony Byrne MP, Parliamentary Secretary to the Prime Minister. The relationship between ACF and Moonlight Cinema, which selected us as its sole charity partner, enabled Who On Earth Cares advertisements to be screened before every film during last summer's program, as well as the distribution of climate campaign postcards on promotional nights. Moonlight Cinema has since confirmed that it wants to continue with this endeavour in its 2009–10 season.





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We can all take encouragement and inspiration from a year of highly influential ACF campaigning in the lead-up to December's climate summit in Copenhagen. Many more Australians have now seen a Climate Project presentation, and more of our extraordinary marine environment is closer to protection; water licenses are being bought back for the Murray, while more money is being spent on public transport in our cities. Thanks to the combined efforts of ACF and our supporters, one of the great successes of the previous 12 months of campaigns was the momentum for change that we are carrying into the future.

## The Climate Project – Australia

A mere three years after the first group of volunteer Climate Project Presenters was trained, more than one in 70 Australians have seen a presentation based on the slideshow made famous in the Oscar-winning film *An Inconvenient Truth*. It's a remarkable achievement for the program initiated in 2006 by the Hon. Al Gore and ACF.

The project's grassroots influence is growing even stronger thanks to its Connectors, people who advocate climate action by showing their local community the inspirational documentary *Telling the Truth*. This Climate Project film follows seven people as they progress from trainees to experienced Presenters, telling their own stories of change and of a commitment to making a difference. Since

its October 2008 premiere, over 800 people have signed up as Connectors – among them Mr Arunava Das, who contacted us in March to tell of a successful screening in north-eastern Bhutan.

The Climate Project efforts of the last 12 months culminated in an Asia-Pacific Summit in Melbourne, where Al Gore trained 261 Presenters from 19 countries to spread the facts of climate change in the run-up to December's crucial climate negotiations.



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## Saving Our Icons

Our online Who on Earth Cares community now has more than 24,000 members. The commitment of each participant to reduce greenhouse pollution is strengthened by the collective will expressed on the website. This determination to combat climate change was also evident in the response to ACF's *Saving Australia's Special Places* report of November 2008. It told of how our beaches, Kakadu's wetlands and

many other Australian icons are under threat from dangerously high levels of greenhouse pollution, and challenged the Federal Government to take stronger action in cutting these levels. More than 2,700 icons postcards were subsequently sent to Kevin Rudd via our website.

In a further demonstration of support, around 50 groups of people joined us in holding sustainable BBQs over the 2009 Australia Day weekend. From Long Beach, NSW to Bunbury, WA, electric or coal-fired BBQs were shelved in favour of those powered by natural gas, Eskys were packed with sustainably sourced food, and people let politicians know of their concern for places special to them. ACF campaigns like *Saving Australia's Special Places* were rewarded in May when the Federal Government announced it would increase its greenhouse pollution reduction target from a weak 15 per cent to 25 per cent by 2020.

## Protecting the Coral Sea

In September 2008, ACF and an alliance of like-minded organisations called for one million square kilometres of the Coral Sea to be designated a marine reserve, free of fishing and other extractive activities. Bounded by the Queensland coast, Papua New Guinea, New Caledonia and the Solomons, the Coral Sea is home to many reefs and diverse species of whales, turtles and seabirds, and the seabed is dotted with historic shipwrecks. In May 2009, Environment Minister Peter Garrett responded by declaring Australia's Coral Sea waters a conservation zone while the long-term level of protection is determined. "A single, large, no-take reserve, like a National Park on land, is the most appropriate way to protect the Coral Sea's highly mobile ocean species and its other special values," agrees Chris Smyth, ACF's Marine Campaign Coordinator.

Earlier this year, as part of the Save Our Marine Life Collaboration, ACF also released *Protecting Western Australia's big blue backyard*, a report on the significance of southern WA's marine environment, and the international leadership Australia can show by safeguarding it. The region is unique, with most of its marine life found nowhere else, but less than 1 per cent of it is currently protected.





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### Water for the Murray

The health of the Murray River is one of Australia's most important environmental issues, a fact recognised by ACF supporters when they nominated it one of their biggest concerns towards the end of 2008. Our Murray campaign received a boost in May 2009 when the Victorian Government repealed its 10 per cent cap on water ownership by 'non-landowners', which was hampering efforts to buy water from irrigators for environmental use. Better still, a month later, the 4 per cent cap on interstate water trading, which we have been lobbying against, was partially lifted. This decision allows the Commonwealth to buy 460 billion litres of water for the Murray, helping to sustain the floodplain's struggling red river gums and once-plentiful fish and waterbirds.

More water for the lower Murray recently became available with the Federal and NSW Governments' purchase of Toorale Station, one of many buy-backs ACF has been pushing for. "This is welcome progress and shows the government is listening to the public," said ACF Healthy Ecosystems Program Manager Paul Sinclair, adding: "Australia has international obligations to care for the wetlands of the Coorong and the Lower Lakes."

### From the Paddock to the Plate

In October 2008, ACF published a trail-blazing report on food production in Victoria. *Paddock to Plate* looked at every part of the process, from farming to

transportation and storage, and even how we consume food, leaving nothing out in its search for fresh ideas on sustainable practices. Prepared by former Land & Water Australia head Andrew Campbell, the report has evolved into the Future Food & Farm Project, which convenes farmers, policy advisors, retailers and scientists to figure out how to create healthy food without compromising the health of the environment. One priority is to reduce the carbon pollution associated with our eating habits, currently at 25 per cent of Australia's total emissions, while another is to seek the help of farmers in halting environmental degradation. Detailed recommendations from the project were released in August 2009.

### Sustainable City Living

The May 2009 federal Budget contained the welcome news that the Australian Government planned to invest \$4.6 billion in its urban public transport systems. Amounting to just over half of the government's total transport funding, the measure fell short of the two-thirds target called for by the ACF-led Rapid, Active and Affordable Transport Alliance (RAATA), but it was a good start. The irrefutable reasons why the money spent on clean public transport should be double that spent on roads were set out in RAATA's June 2009 report *Investing in Sustainable Transport*. More cycling routes and extended rail and bus networks will reduce the accidents, congestion and pollution that are the legacy of our reliance on motorways.

The federal Budget also promised nearly \$1.5 billion towards the development of solar technologies, an investment in renewable energy that ACF has long argued for. Responding to the initiatives, ACF Executive Director Don Henry said, "We commend the Budget for taking two big steps towards a clean energy and clean transport future. The new money for solar and for public transport will be good for the planet, good for cities and good for jobs."

### Uranium Not for Sale

A treaty that would have seen Australian uranium sold to Russia was stopped in its tracks in September 2008, thanks in part to the efforts of our supporters. Foreign Minister Stephen Smith was inundated

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with emails and letters asking that the Howard government-proposed treaty be rejected because of Russia's poor record on environmental protection and human rights, and its amassing of nuclear weapons. Meanwhile, ACF effectively lobbied an inquiry by the Federal Joint Standing Committee on Treaties. The committee recommended that the agreement not proceed until Russia meets a number of tough preconditions, including its international nuclear disarmament obligations and the separation of the military from the civil nuclear sector.

"Nuclear safeguards are an illusion of protection and Australia should stay out of the flawed nuclear industry in Russia," said ACF Nuclear Free Campaigner David Noonan. A Federal Government response is not expected until after the review of the international Non-Proliferation Treaty in New York in May 2010.

### Saving Papua New Guinea's Rainforests

About six years ago the people of Simbukanam village, in the Gildipasi region of PNG's Madang province, took direct action to stop the destruction of their tropical rainforest and the poisoning of their rivers by a logging multinational. They ejected the company and created a 1000-hectare rainforest reserve in which all resource extraction is banned – quite a feat in a country in which illegal logging is believed to account for 80 per cent of timber exports. Since then, other Gildipasi





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clan leaders have realised the benefits of forest conservation. Four neighbouring clans have now contributed their forests to the reserve, a decision formalised with the involvement of ACF and a local NGO, the Bismarck-Ramu Group. In mid-2008, ACF participated in festivities at Simbukanam village to celebrate the doubling of the conservation area, an achievement to inspire rainforest communities everywhere.

### Investor Roundtable on Sustainable Infrastructure

Over the past year, ACF has been working closely with unions, business and the finance sector to prepare for Australia's transition to a low-carbon economy, which will provide clean, green jobs in sustainable industries. This shift will require massive new infrastructure, particularly for energy, transport and water. This was the focus of the Investor Roundtable on Sustainable Infrastructure in October 2008, co-convened by ACF and attended by superannuation funds, fund managers, government representatives and infrastructure operators. ACF Executive Director Don Henry opened the meeting by explaining how minimal emissions and efficient water usage will be the foundation

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of a healthy, prosperous society, with infrastructure being central to that vision.

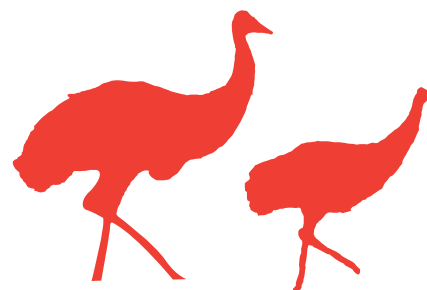
A report on the roundtable, released in December and directed at policymakers, recommended strong market regulation, the setting of sustainability targets such as for renewable energy, and ongoing government investment in public infrastructure. A key outcome was Infrastructure Australia's announcement in early 2009 of substantial new funding for public transport.

### New National Park for Cape York

Since 2004, ACF's Northern Australia Program has been a key player in the protection of high conservation-value lands with Traditional Owners on Cape York Peninsula. At a historic ceremony in the central Cape York town of Coen in August 2008, Queensland Premier Anna Bligh signed an agreement with representatives of the Kaanju, Umpila and Lama Lama peoples to create a new national park that protects the stunning McIlwraith Range. Importantly, the establishment of Kulla National Park delivers new conservation areas as well as freehold lands to Indigenous people. ACF is now looking

to build on its 'culture and conservation economy' work by supporting Indigenous groups in building environmentally and culturally sustainable futures on their freehold land.

ACF has long advocated for conservation on Indigenous lands to be achieved through negotiation. We are proud to support the Queensland Government's unique land tenure resolution process, which is delivering social and land justice to Indigenous people.





In last year's survey of ACF contributors, one of our Supporters told us, "Sometimes I can feel overwhelmed by the issues facing the Australian – and world – environment. Being part of the Australian Conservation Foundation helps me to hold onto a future of hope". ACF is similarly sustained by our growing community of Supporters, people who continually encourage and galvanise us by committing themselves to taking action now for the sake of the future.

Through our survey, we were enormously pleased to discover that over one-third of respondents had already switched their electricity to green power, while another third intended to follow suit. We also found that two-thirds of respondents were prepared to write to politicians, and one-third were willing to take the extra step of visiting their local MP. This grassroots advocacy is extremely effective; it's the best way for people to make their voices heard and to bring attention to the issues of most importance. We are considerably heartened by the resolve that our supporters demonstrate.

ACF Supporters have helped and inspired us in many ways over the past 12 months. The financial generosity of individual members and donors enables the bulk of our campaign work. In 2008/09, the regular contributions made via our EarthVoice program rose in quantity by 91 per cent over the preceding year – the monthly value of these pledges increased by over 200 per cent! Participation in our campaigns is clearly also crucial to our advocacy efforts, be it the writing of letters and emails, the attendance of Climate Project presentations, the adoption of GreenHome's 'sustainable living' mantra, or any of the other myriad actions we urge. The valuable work performed by volunteers represents another huge contribution to ACF's achievements. Event assistance, word processing, filing, mail-outs, legal advice, photography, graphic design, media tasks, research ... The help given by volunteers reminds us that, as with everything connected to environmental improvement, no contribution is ever too small.

We are indebted to all of our Supporters for their efforts towards environmental sustainability. The following are stories about just some of the people who have been prepared to make a difference.

Audrey Halliday  
PHOTO: XXXX



### Audrey Halliday

Ten-year-old Audrey Halliday is one of ACF's Earthkids. Audrey can't remember exactly when she first started thinking a lot about the environment; rather, it's something that her family has always talked about. "My mum and step-dad always recycle everything they can and at my old school, they started something called the Green Team, which was a group of kids who got together one lunchtime a week to talk about ways to help the environment," she says.

Audrey is a columnist for the *Billy Bulletin*, the newsletter which is sent to ACF's Earthkids four times a year, and her stories are posted on the ACF website. "I like writing about Australian animals and the Australian bush and ways we can all help to protect it. I like writing about little things that kids can do to help," she says.

Audrey has some sound advice for kids who would like to do something for the environment, but aren't sure where to begin: "Start by looking at your own house. Maybe you could recycle more things, or maybe you could buy food with less packaging. Check with your school to see if you can start a Green Team and meet up with other kids who you can share ideas with." She also suggests turning off the tap when brushing teeth, half-flushing the toilet and having short showers.

Audrey's philosophy on the environment is simple: "The problems seem really big sometimes but even little things help. We can all do something."

Geraldine Spencer  
PHOTO: XXXX



### Geraldine Mildred Spencer

Energetic activism was in Geraldine Spencer's blood. In the late 19th century, her mother, Gertrude, challenged prejudice against the education of women to gain an Arts degree at Melbourne University, before travelling to Britain to join its early suffragette movement. Geraldine similarly dedicated herself to the betterment of the world – not to mention its exploration. She was a tireless traveller and a campaigner on many key social issues, including the need for more cultural facilities, improved public transport, and in particular the health risks associated with smoking.

In her hometown of Canberra, Geraldine volunteered her considerable enthusiasm and skills to the ACT Conservation Council. She was a passionate bushwalker and animal lover, with a penchant for both the Australian landscape and its fauna – considering these traits, it is not surprising that she came to support ACF in its environmental endeavours. In 1977, Geraldine received the Queen's Silver Jubilee Medal in honour of her worthy and devoted service in various walks of life.

Geraldine Mildred Spencer died on 16 October 2008. We are inspired by her achievements and very grateful for the bequest she provided.



Caption David Rastovich  
PHOTO: Elke Kerr



### David Rastovich

David Rastovich's kinship with the ocean is borne out by the life he has lived: as a professional surfer whose international renown has led to starring roles in movies such as *Blue Horizon* and also *Life Like Liquid*, which he produced himself. David's love of the marine environment, coupled with a desire to connect with like-minded individuals, led to a decision to receive training by Al Gore in July 2009 to become a Climate Project Presenter.

The New Zealand-born surfer, who is affectionately known as 'Rasta', has a specific aim in mind in becoming a Presenter. "I hope to meet with other dedicated environmentalists who are actively working on restoring a balance to the ecosystems we live within, educating our communities and providing solutions to many of the current environmental problems we are facing," he says. "I want to succinctly present the details of the issues which relate to surfers and to be a voice for coastal people, a conduit between this culture and mainstream society."

In addition to his ambition to be a change-inspiring Climate Project Presenter, Rasta is determined to expose the realities of whaling and dolphin kills in Japanese waters, and he is also working on ways to make surfboards more eco-friendly.







### ACF branch activities

Branches support ACF at the community level by indentifying emerging issues and planning and implementing local activities that contribute to the ACF's objectives. This year some of the ACF branch activities included:

#### Mullum Branch

- Success in listing "Chariot Wheels" plant listed as an endangered species under the Flora and Fauna Guarantee Act
- Opening of Mullum Mullum Park (marking both past successes and future commitment to preserve and manage the valley's special biodiversity)
- Submission to the Land and Biodiversity Green paper
- Submission to proposed Green Paper on Carbon Pollution Reduction Scheme
- Education about local weeds
- Media coverage on tunnel campaign

#### Central Coast Branch

- Continued representation in the region's Community Environment Network
- Representation on Gosford Council's Environment Committee, Cities for Climate Protection Committee & Reduce, Reuse, Recycle Committee
- Submissions to: A National Waste Policy (Waste Policy Taskforce), Draft Sea Level Rise Policy (NSW Dept of Climate Change & Env), A Time for Container Deposits is Now (Federal Govt), Tourism in National Parks (NSW State Govt) and Sea Level Rise (Gosford City Council).
- Media coverage on Tillegra Dam, dune management at Ettalong and motorbike riding in bushland reserves.
- Several information stalls at community events.
- Screenings of The Climate Project's "Telling the Truth" across the region.

#### Shoalhaven Branch

- Through joint campaigning, achieved three year moratorium to cease transfer of water from Shoalhaven River to Sydney.
- Continuing campaign to protect Bomaderry Creek Bushland and Regional Park from development and conserve the area for threatened species listed in the EPBC Act.
- Launch of a fish lift and new water release system at Tallowa Dam to overcome current blockage for migratory fish and other aquatic fauna. Structural modifications have also allowed for improved environmental flow releases to downstream reaches of the river.
- Monitoring environmental implications of proposed developments at Comberton Grange (adjacent to Jervis Bay National Park) and southern foreshores of St Georges Basin.

#### Canberra Branch

- Producing a monthly email to Branch members, including information about local events and issues, as well as campaigning resources.





### Supporting ACF and our conservation programs: trusts, foundations and businesses providing significant financial or in-kind support for ACF

Arnold Bloch Leibler	Strategic legal advice
Atlantis Sound Documentary	The Climate Project Telling The Truth
AusAID	The Climate Project Asia Pacific Summit
AUSAid in collaboration with AUSAid NGO Co-operation Program (ANCP)	Asia Pacific Program
Australian Ecosystem Ltd	Asia Pacific Program
Australian Network of Environmental Defender's Offices	Strategic legal advice
Bryce Ott, Nutshell Brand Consultancy	Strategic communications advice
Cate Blanchett Documentary	The Climate Project Telling The Truth
CMA development	Professional training and skills
Colonial First State Global Asset Management	Support of ACF's campaigns
COMjobs	Recruitment support
Complete Colour Printing	Printing
Count Charitable Foundation	Healthy Ecosystems program
Darinka Pty Ltd	Support of legal team
Department of Environment & Climate Change	NSW GreenHome program
Department of Families and Community	Asia Pacific program
Department of Sustainability & Environment	GreenHome Victoria's Sustainable Living program
Department of Environment & Resource Management	Northern Australia program
Environmental Trust	People and Operations
Executive Influence	The Climate Project Asia Pacific Summit
goodcompany	Sourcing volunteers
Graeme Pearman Consulting	The Climate Project Asia Pacific Summit
Green Pages	Support of ACF's campaigns
Green Solutions Marketing	Strategic marketing advice and proposals
Hunter Hall International Limited	Support of ACF's campaigns
Jack Johnson Ohana Charitable Foundation	Support of ACF's campaigns
Jason Berge Documentary	The Climate Project Telling The Truth
Kafig Pty Ltd program	The Climate Project and Oceanwise
Kevin Murphy Business Services Pty Ltd	Support of ACF's campaigns
Learning Dimensions Coaching	Leadership Development and Executive
Lumsden P/L	Support of ACF's campaigns
Lyn Bender	Contribution for Staff Wellbeing and The Climate Project
Mallesons Stephen Jaques	Strategic legal advice

Marich Foundation	Support of ACF's campaigns
Mark Seymour	The Climate Project Telling The Truth Documentary
Max Davis	The Climate Project Telling The Truth Documentary
Melbourne Community Foundation	Healthy Ecosystems and Communications programs
Mushroom Records	The Climate Project Telling The Truth Documentary
Nelson Meers Foundation	The Climate Project Telling The Truth Documentary
New South Wales Rugby Union	Climate Change campaign
NRMjobs	Recruitment support
One Little Indian Enterprises	The Climate Project Asia Pacific Summit
QLD Department of Environment and Natural Resources	Participation in the Cape York Tenure Resolution Implementation Group (CYTRIG).
Queensland Public Sector Union	Climate Heroes program
RobMeree Foundation	Support of ACF's campaigns
Science Reference Panel – Professor David Booth, Dr Trevor Ward, Greg Jenkins, Dr Jeremy Prince, Professor Mick Keough, Professor Peter Fairweather	Sustainable Seafood program
Sustainable Impact P/L	Climate Change projects
Sydney Theatre Company	The Climate Project Telling The Truth Documentary
The Body Shop Partner Advocacy work	Asia Pacific Program and Strategic
The Christensen Fund (TCF)	Northern Australia program
The George Castan Family Charitable Trust	The Climate Project Asia Pacific Summit
The George Lewin Foundation	Support of ACF's campaigns
The Intrepid Foundation and the Asia Pacific program	The Climate Project Asia Pacific Summit
The Myer Foundation	Northern Australian program and The Mittagong Forum
The Pew Charitable Trusts	National Liaison program
The Pew Environment Group	Healthy Ecosystems
The Poola Foundation	Northern Australia program
Tribal Media Makers P/L	The Climate Project Telling The Truth Documentary
University of Technology, Sydney and Professor Bruce Milthorpe	Sustainable Seafood program
Victorian Community Foundation	The Climate Project Asia Pacific Summit
Vision for Werribee Plains	Sustainable Cities program
Women Plan Foundation	Asia Pacific program



**Workplace Giving Programs: employees and employers working together to support ACF's conservation work. The staff of the following companies have all given significant financial support to ACF over the past year.**

**Workplace Giving**

Allens Arthur Robinson

Amcor Australasia

Australian Charities Fund

Australian Taxation Office

CAF Australia

Coles Group

Corrs Chambers Westgarth

Department of Health and Ageing

Karma Currency

Lion Nathan

Mallesons Stephen Jaques

Origin Energy Limited

University Of Wollongong

To find out how your organisation can support ACF through workplace giving, please contact Beth Gould 03 9345 1111, email [workplacegiving@acfonline.org.au](mailto:workplacegiving@acfonline.org.au) or visit [www.acfonline.org.au/workplacegiving](http://www.acfonline.org.au/workplacegiving)

**The Climate Project Australia**

ACF is the Australian partner for The Climate Project (TCP), Al Gore's Climate Change Leadership program. ACF would like to acknowledge all trusts, foundations, businesses and individuals who have supported TCP. ACF would also like to acknowledge the support of the Hon Al Gore and his staff, notably Roy Neel and Jenny Clad.







## Treasurer's Report

The year ended 30 June 2009 was a solid year for ACF from a financial perspective.

Revenue for the financial year was \$13,451,872 compared with \$13,088,934 for the year ended 30 June 2008. Increases in donations and subscriptions were partially offset by declines in legacies, bequests and grants.

Expenses for the financial year increased to \$13,523,934 from \$12,508,358 in 2008. Environmental program expenditure, a key measure of activity for the organisation, increased by 10% to \$6,745,374 from \$6,142,970 in 2008 due to increases in expenditure on a range of campaigns.

Fundraising costs have increased to \$4,794,300 from \$4,387,877 as ACF sought to broaden and strengthen its fundraising efforts for the future.

Administration costs for the financial year at \$1,984,261 were similar to the 2008 financial year (\$1,977,511).

ACF's balance sheet remains solid with total equity of \$8,853,967 as at 30 June 2009 compared with equity of \$8,926,029 as at 30 June 2008.

ACF's cash and financial assets total \$9,318,150 as at 30 June 2009. ACF continues to have a diversified investment portfolio with cash, fixed interest, property and equity investments.

On 1 July 2009, the ACF received a significant and transformational donation being the 60L Green Building, ACF's headquarters in Melbourne. This generous donation by the 60L Green Building Partnership, comprising Eve Kantor, Mark Wootton and Kate Kantor, brings new financial strength to the organisation and is a physical and spiritual home for the great work of ACF in the future. The Board, staff and members of ACF sincerely thank the donors for their unique and inspiring support.

We end the year with ACF well placed for the future from a financial perspective. The Board thanks you for your ongoing financial support of ACF.

**Kester Brown**  
Treasurer

## ACF Board

### Ian Lowe President QLD

Professor Ian Lowe AO has degrees in engineering and physics. He is currently emeritus professor of science, technology and society at Griffith University in Brisbane, an adjunct professor at Sunshine Coast University and an honorary research fellow at the University of Adelaide. The author of 18 books and more than 500 other publications, Professor Lowe's contributions to environmental science have won him a Centenary Medal, the Eureka Prize for promotion of science, the Prime Minister's Environment Award for Outstanding Individual Achievement, the Queensland Premier's Millennium Award for Excellence in Science, and the University of NSW Alumni Award for achievement in science. Professor Lowe was named Humanist of the Year in 1988 and made an Officer of the Order of Australia in 2001. Professor Lowe was elected ACF President in 2004.

### Peter Christoff Vice President VIC

Peter is the Vice President of the ACF. He is the Coordinator of Environmental Studies in the School of Social and Environmental Enquiry, at the University of Melbourne. He has been a member of ACF since 1983 and has served on ACF Council and its Executive since 2000. In 1986, as Assistant to the Victorian Commissioner for the Environment, he established Victoria's State of the Environment (SoE) reporting program, and in the early 1990s contributed to the establishment of the national SoE program. He has campaigned on forest preservation, hazardous waste management, and climate change, and has been active in Environment Victoria and the Victorian National Parks Association, and is a former director of Greenpeace (Australia Pacific).

### Rosemary Hill Vice President QLD

Dr Rosemary Hill is environmental scientist and planner who has been active in the conservation movement for twenty-five years. She has extensive experience in environmental science and management, and in collaborative research and training in protected area and heritage conservation, with a strong focus on Indigenous peoples' approaches to environmental management. She is a Member of the World Commission on Protected Areas, IUCN Commission on Economic, Environmental and Social Policy, Wet Tropics Scientific Advisory Commission. Rosemary's role in achieving world heritage listing for the Wet Tropics was recognised by a Cassowary Award in 2001.

### Gavin Wigginton Honorary Secretary VIC

Gavin Wigginton has worked as a volunteer advising ACF on governance systems since 2001. In 2004, he was appointed as Honorary Secretary which is a position he continues to hold. He was appointed to the Board in November 2007. Gavin is a member of the Finance and Audit Committee of the Board, the Governance Committee and the Nominations Committee of Council. Gavin is currently a management consultant, specialising in governance and risk management. Previously, he was a general manager in both the private and 'not-for-profit' sectors with responsibility at various times for corporate planning, finance, and HR. Gavin is a Member of the AICD, the RACV Club, the Wilderness Society, and the Essendon Football Club.



## ACF Board continued

### **Kester Brown** **Treasurer** **VIC**

Kester has been involved with ACF in the position of Treasurer since November 2002. He is a Partner at Ernst & Young and works in the areas of external audit, acquisition due diligence and capital raisings. Kester has an interest in building the internal controls and financial strength of ACF.

### **Irina Cattalini** **Board member** **WA**

Irina Cattalini is the Director of Social Policy with the Western Australian Council of Social Service. Irina is passionately committed to developing a sustainable energy future for Australia, and is keen to strengthen alliances between Australia's social and environment sectors. Prior to joining WACOSS in March 2005, she spent three years working at the Conservation Council of Western Australia, on various energy and greenhouse related policy and projects.

### **Robert Fowler** **Board member** **SA**

Rob is a Professor of Environmental Law at the University of South Australia, where his role in recent years has been to deliver training courses in environmental law and enforcement to staff of State government agencies and also to Indonesian judges, prosecutors, EPA staff and NGO's under a series of AUSAID contracts since 1999. He also serves as a Research Program Leader in a Cooperative Research Centre dealing with contaminated sites. He is serving his third term on ACF Council, and states his main environmental concerns as sustainability, climate change, water issues and land clearance. Rob also is the Chair of the SA Environment Defender's Office.

### **Chrissy Grant** **Board member** **NSW**

Ms Chrissy Grant has extensive experience in Indigenous land management and heritage having worked as the Director of the Indigenous Heritage Assessment Section with the Australian Heritage Commission and then the Department of the Environment and Heritage in the Commonwealth Government and since retirement in 2006, has had Ministerial appointments to the Indigenous Protected Advisory Group as Chair for three years; the Indigenous Advisory Committee (IAC) as Deputy Chair; and a member of the Australian National Commission for UNESCO. She also resides as Chair of the Australian Institute for Aboriginal and Torres Strait Islander Studies (AIATSIS) Research Ethics Committee that is aligned to the National Health and Medical Research Council. She has prime responsibility to advance the National Caring for Country Strategy that the IAC is championing as a document developed for Indigenous people by Indigenous people. Other areas are her involvement in the Working on Country Program and the Natural Resource Management Initiatives through the Caring for Our Country Program, and the Review of the National Biodiversity Strategy.

### **Nikki Parker** **Board member** **QLD**

Nikki Parker has a degree in botany and ecology from the University of Queensland and works as an environmental consultant to the manufacturing industry and a php programmer, merging these roles where possible. Nikki played a key role in the Victorian Otway campaign before moving back to Queensland, where she spearheaded a successful campaign that has protected an area of ecologically important bushland, known as Pooh Corner, in the suburbs of Brisbane. She is interested in the use of new technologies in environmental debates; and is currently developing web-based tools for a community group in South East Queensland. Nikki has worked in the

Solomon Islands, where she produced a national research strategy with the Forestry Department. Nikki is an exhibited artist (photography), a website developer, and mother of three boys.

### **Katherine Wells** **Board member** **SA**

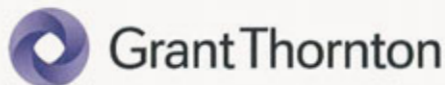
Katherine has been a member of ACF Council since 2001, and of the ACF's Board since 2002. She was Vice President of the ACF for 2005-07, and played a significant role in the development of the ACF's current 10 Year Strategy. Katherine has worked extensively in environmental law and policy for both the environment movement and industry, in Victoria, NSW, South Australia and nationally. She is currently a climate change consultant in Adelaide. Katherine has served on a range of government and community Boards, including as Chair of the South Australian Premier's Round Table on Sustainability, and as a member of the Boards of Zero Waste SA, and the South Australian EPA. She is currently focused on climate change, the emerging biodiversity crisis, and sustainable consumption.

### **Mark Wootton** **Board member** **VIC**

Mark Wootton is a farmer. With his wife, Eve Kantor, he farms a 12,000 acre grazing property called Jigsaw Farms at Hamilton, Victoria. They have a mixed farm operation of beef, wool and various biodiversity and forestry plantings which act as carbon sinks. He is also a director of the Poola Foundation which disburses funds in the environmental and social justice areas. He won the Victorian Premier's Sustainable Business Award for 2003 for the 60L Green Building that he developed and co-owns. Over the last 10 years Mark has belonged to a series of boards as part of an ethical investment portfolio that he manages. He is a director of The Australia Institute and Chairman of the Climate Institute of Australia.



## Independent Auditor's Report



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF AUSTRALIAN CONSERVATION  
FOUNDATION INC.**

**Report on the summarised financial report**

We have audited the accompanying summarised financial report of Australian Conservation Foundation Inc, comprising the balance sheet as at 30 June 2009 and the income statement for the year then ended, which was derived from the financial report of Australian Conservation Foundation Inc for the year ended 30 June 2009. We expressed an unmodified auditor's opinion on that financial report in our auditor's report dated 27 September 2009.

**The responsibility of the Board members for the financial report**

The Board members are responsible for the preparation and presentation of the summarised financial report in accordance with Australian Accounting Standards.

**Auditor's responsibility**

Our responsibility is to express an opinion on the summarised financial report based on our procedures, which were conducted in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements.

**Auditor's opinion**

In our opinion, the information reported in the summarised financial report is consistent, in all material respects, with the financial report from which it was derived. For a better understanding of the scope of our audit, this auditor's report should be read in conjunction with our audit report on the financial report.

*Grant Thornton*

GRANT THORNTON  
Chartered Accountants

Simon Hourigan  
Partner  
Melbourne, 27 September 2009

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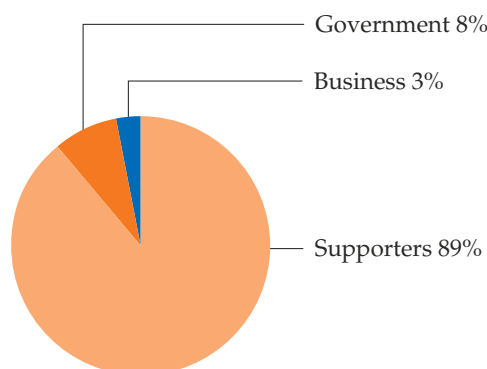




## Income Statement for the year ended 30 June 2009

	2009 \$	2008 \$
<b>Revenue from continuing operations</b>	<b>13,451,872</b>	<b>13,088,933</b>
Environmental programs expenses	6,745,374	6,142,970
Fundraising expenses - recruitment of new supporters	2,357,267	2,440,598
Fundraising expenses - service and communication	2,437,033	1,947,279
Administration expenses	1,984,261	1,977,511
<b>Expenses from continuing operations</b>	<b>13,523,934</b>	<b>12,508,358</b>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>	<b>(72,061)</b>	<b>580,576</b>

## ACF Income



## Balance Sheet as at 30 June 2009

	2009 \$	2008 \$
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	7,876,173	7,558,169
Trade and other receivables	168,468	112,523
Financial assets	1,441,977	1,939,438
Other assets	79,266	212,170
<b>TOTAL CURRENT ASSETS</b>	<b>9,565,884</b>	<b>9,822,300</b>
<b>NON-CURRENT ASSETS</b>		
Financial assets	225,000	225,000
Artwork	19,500	19,500
Investment property	680,000	660,000
Property, plant and equipment	377,027	371,984
Intangible assets	101,775	97,330
<b>TOTAL NON-CURRENT ASSETS</b>	<b>1,403,302</b>	<b>1,373,814</b>
<b>TOTAL ASSETS</b>	<b>10,969,186</b>	<b>11,196,114</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	1,065,044	1,360,615
Provisions	945,275	842,397
<b>TOTAL CURRENT LIABILITIES</b>	<b>2,010,319</b>	<b>2,203,012</b>
<b>NON-CURRENT LIABILITIES</b>		
Provisions	104,900	67,073
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>104,900</b>	<b>67,073</b>
<b>TOTAL LIABILITIES</b>	<b>2,115,219</b>	<b>2,270,085</b>
<b>NET ASSETS</b>	<b>8,853,967</b>	<b>8,926,029</b>
<b>EQUITY</b>		
Reserves	8,639,628	6,831,919
Retained surplus	214,339	2,094,109
<b>TOTAL EQUITY</b>	<b>8,853,967</b>	<b>8,926,029</b>



**AUSTRALIAN CONSERVATION FOUNDATION INC.  
BOARD REPORT  
FOR YEAR ENDED 30 June 2009**

The undersigned Board members submit the financial report of the Australian Conservation Foundation Inc. (ACF) for the financial year ended 30 June 2009.

**BOARD MEMBERS**

ACF's legal governing authority is the ACF Board, a body with between 7 and 11 members selected by the ACF Council. The Board was appointed in March 2007.

The names of Board members throughout the year are set out below, with a member who joined the Board on 23 November 2008 marked by a #.

Prof Ian Lowe	President
Dr Peter Christoff	Vice-President
Dr Rosemary Hill	Vice-President
Kester Brown	Treasurer
Chrissy Grant #	
Irina Cattalini	
Robert Fowler	
Nikki Parker	
Katherine Wells	
Gavin Wigginton	
Mark Wootton	

**PRINCIPAL ACTIVITIES**

The principal activities of the Foundation during the year were -

- seeking to protect, restore and sustain the environment;
- raising awareness and understanding of environmental issues;
- supporting collaboration amongst persons, trusts, corporations, associations, institutions, governments, and other bodies concerned with conservation; and
- carrying out research on a broad range of current and future environmental issues.

**SIGNIFICANT CHANGES**

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

**EVENTS SUBSEQUENT TO BALANCE DATE**

On 1 July 2009, ACF was gifted a building at 60-66 Leicester Street, Carlton, Victoria. The building, a premier 'green' office building known as '60L', was gifted to ACF by its developers and former owners, The Green Building Partnership. ACF was a foundation tenant at 60L and continues to occupy the building as its national headquarters together with a number of other tenants.

The gift has no material impact upon ACF's 2008-2009 financial position however it will have a material impact for the 2009-2010 year. It is noted that ACF is in the course of obtaining a current valuation for the building and this will be reflected in ACF's 2009-2010 financial statements.

**OPERATING RESULT**

The deficit from ordinary activities amounted to \$72,061 (2007-8 surplus \$580,576).

\*\*

Signed on behalf of ACF in accordance with a resolution of the Board.

President - Ian Lowe  
27 September 2009

Treasurer - Kester Brown  
27 September 2009



**AUSTRALIAN CONSERVATION FOUNDATION INC.**  
**STATEMENT BY THE BOARD**  
**FOR YEAR ENDED 30 June 2009**

In the opinion of the Board,

- (a) the financial report set out on pages 6 to 23 presents a true and fair view of the financial position of the Australian Conservation Foundation Inc. as at 30 June 2009 and of 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 Accounting Standards Board.
- (b) at the date of this statement there are reasonable grounds to believe that the Australian Conservation Foundation Inc. will be able to pay its debts as and when they fall due.

Signed on behalf of ACF in accordance with a resolution of the Board.

.....  
President - Ian Lowe  
27 September 2009

.....  
Treasurer - Kester Brown  
27 September 2009





**AUSTRALIAN CONSERVATION FOUNDATION INC.  
TREASURER'S DECLARATION  
FOR YEAR ENDED 30 June 2009**

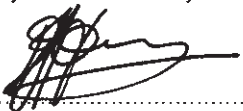
Declaration to be furnished under the NSW Charitable Fundraising Act 1991. This declaration is made in accordance with Authority Conditions 7 (4) issued by the Minister under Section 19 of the Charitable Fundraising Act 1991.

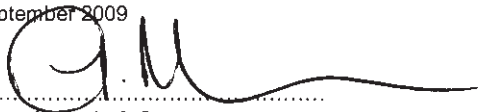
I, Kester Brown, Treasurer of the Australian Conservation Foundation Inc. declare that in my opinion:

- (a) the Income Statement gives a true and fair view of all income and expenditure of the Australian Conservation Foundation Inc. with respect to fundraising activities;
- (b) the Balance Sheet gives a true and fair view of the state of affairs with respect to fundraising activities;
- (c) the provisions of the Charitable Fundraising Act 1991, the Regulations under the Act and the conditions attached to the authority have been complied with; and
- (d) the internal controls exercised by the Australian Conservation Foundation Inc. are appropriate and effective in accounting for income received and applied by the Australian Conservation Foundation Inc. from its fundraising activities.

  
.....  
Treasurer - Kester Brown  
27 September 2009

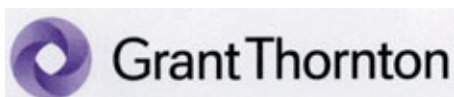
We certify the declaration by the Treasurer.

  
.....  
Executive Director - Don Henry  
27 September 2009

  
.....  
Director of People & Operations - Anna Molan  
27 September 2009



## Independent Auditor's Report



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**Independent auditor's report  
To the members of Australian Conservation Foundation Inc.**

We have audited the accompanying financial report of Australian Conservation Foundation Inc., which comprises the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the statement by members of the board for Australian Conservation Foundation Inc..

**Board's responsibility for the financial report**

The board of the association is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporation Act (ACT) 1991. This responsibility includes establishing and maintaining internal controls 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. In Note 1 the board members also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

**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, which require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance as to whether the financial report is free of material misstatement.

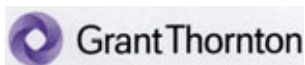
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial

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## Independent Auditor's Report continued



2

report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstance, 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 board members, 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 Australian professional ethical pronouncements.

### **Auditor's opinion**

In our opinion,

- a the financial report of Australian Conservation Foundation Inc. is in accordance with the Associations Incorporation Act (ACT) 1991, including:
  - i giving a true and fair view of the Associations' financial position as at 30 June 2009 and of its performance for the year ended on that date; and
  - ii complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporation Act (ACT) 1991.
- b the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

GRANT THORNTON  
Chartered Accountants

Simon Hourigan  
Partner

Melbourne, Australia

Dated this 27 day of September 2009





**AUSTRALIAN CONSERVATION FOUNDATION INC.**

**INCOME STATEMENT  
FOR YEAR ENDED 30 June 2009**

	NOTES	2009	2008 \$
<b>Revenue from continuing operations</b>	<b>2 (a)</b>	<b>13,451,872</b>	<b>13,088,934</b>
Environmental programs expenses		6,745,374	6,142,970
Fundraising expenses - recruitment of new supporters		2,357,267	2,440,598
Fundraising expenses - service and communication		2,437,033	1,947,279
Administration expenses	<b>2 (b)</b>	1,984,261	1,977,511
<b>Expenses from continuing operations</b>		<b>13,523,934</b>	<b>12,508,358</b>
<b>SURPLUS / (DEFICIT) FOR THE YEAR</b>		<b>(72,061)</b>	<b>580,576</b>



**AUSTRALIAN CONSERVATION FOUNDATION INC.**

**BALANCE SHEET**  
**AS AT 30 JUNE 2009**

	NOTES	2009 \$	2008 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	7,876,173	7,558,169
Trade and other receivables	4	168,468	112,523
Financial assets	5	1,441,977	1,939,438
Other assets	8	79,266	212,170
<b>TOTAL CURRENT ASSETS</b>		<b>9,565,884</b>	<b>9,822,300</b>
<b>NON-CURRENT ASSETS</b>			
Financial assets	5	225,000	225,000
Artwork	6	19,500	19,500
Investment Property	7	680,000	660,000
Property, plant and equipment	9	377,027	371,984
Intangible assets	10	101,775	97,330
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,403,302</b>	<b>1,373,814</b>
<b>TOTAL ASSETS</b>		<b>10,969,186</b>	<b>11,196,114</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	1,065,044	1,360,615
Provisions	12	945,275	842,397
<b>TOTAL CURRENT LIABILITIES</b>		<b>2,010,319</b>	<b>2,203,012</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	12	104,900	67,073
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>104,900</b>	<b>67,073</b>
<b>TOTAL LIABILITIES</b>		<b>2,115,219</b>	<b>2,270,085</b>
<b>NET ASSETS</b>		<b>8,853,967</b>	<b>8,926,029</b>
<b>EQUITY</b>			
Reserves		8,639,628	6,831,919
Retained surplus		214,339	2,094,109
<b>TOTAL EQUITY</b>		<b>8,853,967</b>	<b>8,926,029</b>

The accompanying notes form part of this financial report



**AUSTRALIAN CONSERVATION FOUNDATION INC.**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR YEAR ENDED 30 June 2009**

<b>2008-09</b>	Restricted Environment Program Fund Reserve	Endowment Fund Reserve	Unrestricted Operating Reserve	Retained Surplus (Deficit)	<b>Total</b>
	\$	\$	\$	\$	\$
Balance 1 July 2008	2,239,919	2,492,000	2,100,000	2,094,109	8,926,028
Transfers to reserves	4,453,454	100,000	600,000	(5,153,454)	-
Transfers from reserves	(3,345,745)	-	-	3,345,745	-
Surplus / (Deficit) for year	-	-	-	(72,061)	(72,061)
<b>Balance 30 June 2009</b>	<b>3,347,628</b>	<b>2,592,000</b>	<b>2,700,000</b>	<b>214,339</b>	<b>8,853,967</b>

<b>2007-08</b>	Restricted Environment Program Fund Reserve	Endowment Fund Reserve	Unrestricted Operating Reserve	Retained Surplus (Deficit)	<b>Total</b>
	\$	\$	\$	\$	\$
Balance 1 July 2007	1,541,911	1,992,000	1,300,000	3,511,541	8,345,452
Transfers to reserves	1,306,839	500,000	800,000	(2,606,839)	-
Transfers from reserves	(608,831)	-	-	608,831	-
Surplus / (Deficit) for year	-	-	-	580,576	580,576
<b>Balance 30 June 2008</b>	<b>2,239,919</b>	<b>2,492,000</b>	<b>2,100,000</b>	<b>2,094,109</b>	<b>8,926,028</b>

**Purposes of Reserves**

*Environment program fund reserve* - represents unexpended grants, sponsorships and donations received to fund specific environmental programs.

*Endowment fund reserve* - represents reserves set aside to fund the future growth and development needs of ACF.

*Operational reserve* - represents reserves set aside to provide the working capital needed to meet the cash flow requirements of ACF.

The accompanying notes form part of this financial report





**AUSTRALIAN CONSERVATION FOUNDATION INC.**

**CASH FLOW STATEMENT**

**FOR YEAR ENDED 30 June 2009**

	NOTE	2009 \$	2008 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from members, supporters and customers		10,413,230	8,280,917
Receipts from grants		1,815,334	1,944,528
Receipts from bequests (Cash bequests)		652,711	652,319
Payments to suppliers, contractors and employees		(12,971,350)	(11,401,160)
Interest received		330,569	479,134
Other investment income received		90,613	132,621
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>14 (b)</b>	<b>331,106</b>	<b>88,359</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment for property, plant & equipment		(147,471)	(108,791)
Payment for intangible assets		(60,895)	(3,358)
Proceeds on sale of financial assets (Bequested Assets)		160,000	4,515,065
Net addition of financial assets		35,263	123,050
<b>NET CASH PROVIDED BY / (USED IN) INVESTING ACTIVITIES</b>		<b>(13,102)</b>	<b>4,525,966</b>
<b>Net increase in cash held</b>		<b>318,004</b>	<b>4,614,325</b>
Cash at the beginning of the financial year	<b>3</b>	<b>7,558,169</b>	<b>2,943,844</b>
<b>CASH AT THE END OF THE FINANCIAL YEAR</b>	<b>14 (a)</b>	<b>7,876,173</b>	<b>7,558,169</b>

The accompanying notes form part of this financial report



## **AUSTRALIAN CONSERVATION FOUNDATION INC.**

### **NOTES TO THE FINANCIAL REPORT FOR YEAR ENDED 30 June 2009**

#### **1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

##### **Corporate information**

The financial report covers the Australian Conservation Foundation Inc. (ACF), its state offices, its unincorporated branches and its wholly owned subsidiary ACF Enterprises Pty Ltd as a consolidated entity. Separate disclosure is not made of ACF's separate financial performance and position, as ACF Enterprises ceased trading activities during the 1996/97 financial year. Therefore the financial performance and position of ACF is comparable to the consolidated results of ACF and its subsidiary. Australian Conservation Foundation Inc. is an association incorporated in the Australian Capital Territory under the Associations Incorporation Act 1991.

##### **Basis of preparation**

This financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Associations Incorporation Act 1991.

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

##### **Statement of compliance**

The financial report of the Australian Conservation Foundation Inc. as a consolidated entity complies with all Australian Accounting Standards and International Financial Reporting Standards (IFRS).

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

#### **Accounting Policies**

##### **Taxes**

**Income Taxes** - ACF, as a charitable organisation, is exempt from income tax under Section 50-5, Income Tax Assessment Act 1997. Under the New Tax System ACF was endorsed on the 8 June 2000 by the ATO as an income tax exempt charity from 1 July 2000.

**Fringe Benefits Tax** - ACF, as a charitable organisation, is not exempt from Fringe Benefits Tax, although a rebate of up to 48% of the notional fringe benefits tax payable is applicable for individual employees with less than \$30,000 in grossed up fringe benefits. Where applicable, the grossed up value of specified fringe benefits to individual employees in excess of \$1,000 are included on each employees' payment summary.

**Capital Gains Tax** - ACF, as a charitable organisation, is exempt from capital gains tax under Section 50-5, Income Tax Assessment Act 1997.

**Payroll Tax, Land Tax and Stamp Duties** - ACF is exempt from Payroll Tax, Land Tax and Stamp Duties in NSW, ACT, WA, QLD and Victoria. Exemptions from Payroll Tax, Land Tax and Stamp Duties are not available in South Australia.

**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 Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the cost of the item. Receivables and payables are recognised inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables. Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which is disclosed as operating cash flows.



**AUSTRALIAN CONSERVATION FOUNDATION INC.**

**NOTES TO THE FINANCIAL REPORT**  
**FOR YEAR ENDED 30 June 2009**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONT.**

**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.

*Plant and equipment*

Plant and equipment is measured on a cost basis less depreciation and impairment losses. The carrying amount of plant and equipment is reviewed annually by Board members to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

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

*Depreciation*

The depreciable amounts of all plant and equipment are depreciated on a straight line basis over the useful lives of the assets to ACF, commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of fixed asset	Depreciation rate
Office furniture and fittings	10 - 50%
Communications and information technology equipment	10 - 50%
Leasehold improvements	20-25%
Motor vehicles and accessories	20%

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

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 income statement. When revalued assets are sold, amounts included in the revaluation relating to that asset are transferred to retained earnings.

**Leases**

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred. Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

**Intangible Assets**

*Computer Software*

Computer software costs are capitalised only when the application delivers future economic benefits and these benefits can be measured reliably. Computer software costs have a finite life and are amortised on a systematic basis matched to the future economic benefits over the useful life of the application.





**AUSTRALIAN CONSERVATION FOUNDATION INC.**

**NOTES TO THE FINANCIAL REPORT**  
**FOR YEAR ENDED 30 June 2009**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONT.**

**Investment properties**

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, investment properties are stated at fair value, which is based on active market prices, adjusted if necessary, for any difference in the nature, location or condition of the specific asset at the balance sheet date. Gains or losses arising from changes in the fair values of investment properties are recognised in the profit or loss in the year in which they arise.

**Financial Instruments**

*Recognition and Initial Measurement*

Financial instruments, incorporating financial assets and financial liabilities, are recognised when ACF becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

*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 expire. 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 profit or loss.

*Classification and Subsequent Measurement*

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

All financial assets that are held for trading and available for sale for the purpose of short term profit taking are to be recognised and measured at fair value. All changes in those fair values to be recognised immediately in the profit and loss account (P&L)

(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 using the effective interest rate method.

(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 ACF's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method. All financial assets that are being held to maturity to be initially recognised at fair value but subsequently measured at cost-based amounts. All changes in those fair values are brought to account immediately in the profit and loss account (P&L).

(iv) Financial liabilities

Non-derivative financial liabilities are subsequently measured at amortised cost using the effective interest rate method.

*Fair value*

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

*Impairment*

At each reporting date, ACF assesses whether there is objective evidence that a financial instrument has been impaired.



**AUSTRALIAN CONSERVATION FOUNDATION INC.**

**NOTES TO THE FINANCIAL REPORT**  
**FOR YEAR ENDED 30 June 2009**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONT.**

**Impairment of Assets**

At each reporting date, ACF reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value-in-use, is compared to the asset's carrying value. If the asset is held at fair value for the intention of short-term profit taking, then any excess of the asset's carrying value over its recoverable amount that is realised is expensed to the profit and loss account. In relation to assets that are held to maturity, then the unrealised portion will also be brought to account in the profit and loss account. Where it is not possible to estimate the recoverable amount of an individual asset, ACF estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**Employee benefits**

*Wages, Salaries and Annual Leave*

Liabilities for wages, salaries and annual leave, that are expected to be settled within 12 months of the reporting date, represent present obligations resulting from employees' services provided to reporting date. They are calculated at undiscounted amounts based on remuneration wage and salary rates that ACF expects to pay as at reporting date including related on-costs, such as workers compensation insurance and payroll tax.

*Long-term service entitlements*

ACF's net obligation in respect of long-term service benefits is the amount of future benefit that employees have earned in return for their service in current and prior periods. The obligation is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates, and is discounted using the rates attached to the Commonwealth Governments bonds at the balance sheet date which have maturity dates approximating to the terms of ACF's obligations.

*Superannuation*

The amount charged to the Income Statement in respect of superannuation represents the contributions made by ACF to superannuation funds. ACF is not a party to any defined benefit superannuation funds.

**Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at-call with banks, and other short-term highly liquid investments with original maturities of three months or less.

**Comparative Figures**

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

**Critical Accounting Estimates and Judgments**

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make estimates, judgements and assumptions 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 ACF. Actual results may differ from these estimates.

**Restricted / Unrestricted Funds**

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:

- 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.

All other funds are unrestricted in that the Board has the discretion to spend them on purposes for which ACF was established.



**AUSTRALIAN CONSERVATION FOUNDATION INC.**

**NOTES TO THE FINANCIAL REPORT**  
**FOR YEAR ENDED 30 June 2009**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CON'T.**

**Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to ACF and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

Membership income is recorded on a proportional basis taking into account the prepaid component of the membership.

All grants are recognised as revenue when ACF has established that it has a right to receive a grant.

Legacy and bequest income is recognised as revenue when ACF has established that it has a right to receive the bequest.

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

Dividend revenue is recognised when ACF has established that it has a right to receive a dividend.

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

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

**NSW Charitable Fundraising Act Requirements**

NSW Charitable Fundraising Act 1991: this Act and supporting Charitable Fundraising Regulation prescribe the manner in which fundraising activities are conducted, controlled and reported in NSW. The amounts shown in the Income Statement on page 6 are in accordance with Section 23 (3) of the Act and Part 2 Sections 5, 7 and 8 of the Regulations, unless otherwise indicated.

Donations and Bequests: are recorded as income when ACF establishes that it has a right to receive the Donation or Bequest. As specified in the Act, unsolicited donations are not treated as fundraising income when determining information required under the Act. They are treated as gifts under the tax legislation.

Fundraising Activities Income: as prescribed in the NSW Charitable Fundraising Act, fundraising activities income excludes bequests, unsolicited donations and membership subscriptions from existing members (but not new members). While existing member donations to fundraising appeals have been included in fundraising income, it has not been possible for ACF to accurately separate all income from new and existing members and therefore the fundraising activities income does not include fundraising appeal or membership subscription income from new members. The effect of these omissions may have a material effect on the information reported in the Income Statement.

Cost of Fundraising: costs used in the Income Statement include all direct fundraising costs in accordance with the Act. The inclusion of indirect costs is discretionary. Indirect costs excluded include overheads such as the time spent by the accounting or office staff administering fundraising, activities, cost apportionment of rent, light and power and insurance. Exclusion of the indirect costs decreases the cost of fundraising and increases the margins from fundraising shown in the Income Statement.





## AUSTRALIAN CONSERVATION FOUNDATION INC.

### NOTES TO THE FINANCIAL REPORT FOR YEAR ENDED 30 June 2009

#### 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONT.

##### NSW Charitable Fundraising Act Requirements (cont.)

Education cost allocation: all fundraising activities are structured for the dual purposes of raising funds for expenditure on various services and to educate target groups about environmental issues, ACF and the services it provides. ACF is a signatory to the Australian Council for International Development Code of Conduct, which require that the costs of each fundraising activity are predominantly allocated to fundraising costs, rather than allocated proportionally between fundraising and education as is common within the charity sector. In line with the Code of Conduct the costs of each fundraising activity are fully allocated to fundraising costs with the exception of ACF's Supporter Newsletter (which has more than 90% of its cost allocated to environmental programs). Exclusion of education cost allocations increases the costs of fundraising and decreases the margins from fundraising shown in the Income Statement.

##### International Aid and Development Programs

As a member of the Australian Council for International Development (ACFID) the financial report has been prepared in accordance with ACFID Code of Conduct.

Detailed disclosures and information are outlined in Note 15. No single appeal or other form of fundraising for an international aid and development program designated purpose generated 10% or more of total income for the year under review. Gifts in kind of goods and services have been valued and included in the income statement of the program for the year as allowed by the Code of Conduct.

##### New Accounting Standard and AASB Interpretations

Certain new accounting standards and AASB interpretations have been published that are not mandatory for 30 June 2009 reporting periods but contain an option for early adoption. The Foundation has reviewed each of these new standards and interpretations and is satisfied that they have no impact on the reported financial position and performance of the Foundation for the year ended 30 June 2009 and therefore there has been no early adoption of these standards.

At the date of authorisation of the financial report, the Standards and Interpretations listed below were issued but not yet effective.

Initial application of the following Standard will not affect any of the amounts recognised in the financial report, but will change the disclosures and presentation presently made in relation to the ACF financial report

- AASB 101 'Presentation of Financial Statements' (revised September 2007), AASB 2007-8 'Amendments to Australian Accounting Standards arising from AASB 101'
  - Effective for annual reporting periods beginning on or after 1 January 2009

Initial application of the following Standards and Interpretations is not expected to have any material impact on the financial report of ACF.

- AASB 2009-4 Amendments to Australian Accounting Standards, arising from Annual Improvements Project
  - Effective for annual reporting periods beginning on or after 1 July 2009
- AASB 2009-5 Further Amendments to Australian Accounting Standards, arising from Annual Improvements Project
  - Effective for annual reporting periods beginning on or after 1 January 2010
- AASB 3 'Business Combinations' (2008), AASB 127 'Consolidated and Separate Financial Statements' and AASB 2008-3 'Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127'
  - AASB 3 (business combinations occurring after the beginning of annual reporting periods beginning 1 July 2009) AASB
- AASB 127 Consolidated & Separate Financial Statements (March 2008)
  - Effective for annual reporting periods beginning on or after 1 July 2009
- AASB 139 Financial Instruments: Recognition and Measurement
  - Proposed amendments to this Standard expected to be effective 2012 but AASB will encourage early adoption for annual reporting periods beginning on or after 1 July 2009
- Interpretation: Interpretation 18 Transfers of Assets from Customers
  - Effective for annual reporting periods beginning on or after 1 July 2009
  - AASB 120 Accounting for Government Grants and Disclosure of Government Assistance
  - AASB 118 Revenue
  - AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors
  - AASB 116 Property, Plant and Equipment
  - AASB Interpretation 12 Service Concession Agreements



**AUSTRALIAN CONSERVATION FOUNDATION INC.**

**NOTES TO THE FINANCIAL REPORT**  
**FOR YEAR ENDED 30 June 2009**

	2009 \$	2008 \$
<b>2. OPERATING SURPLUS / (DEFICIT) FOR THE YEAR</b>		
Surplus for the year has been determined after:		
(a) Revenue		
<i>Operating activities</i>		
Donations	9,230,342	7,176,525
Legacies and bequests	687,255	2,273,743
Subscriptions	907,137	864,841
Grants	1,815,334	1,944,528
Merchandise and licensing	108,043	207,974
Other income	219,161	111,530
	12,967,272	12,579,141
<i>Non-operating activities</i>		
Investment income	438,560	434,817
Rental income from investment property	26,040	17,027
Revaluation - Investment property	20,000	57,949
	484,600	509,793
	13,451,872	13,088,934
(b) Expenses included in Administration		
Cost of sales	18,395	34,415
Direct operating expenses from investment property	-	7,259
Finance costs - banking transaction expenses	73,162	88,108
Depreciation of property, plant and equipment	141,795	125,100
Amortisation of intangible assets	54,301	72,159
Net loss on disposal of financial assets	106,890	134,261
Unrealised loss on financial assets	232,634	344,730
Doubtful debts expense	2,545	-
	629,721	806,032
Remuneration of auditor		
- audit or review services	28,091	32,595
- other services	-	-
Total remuneration	28,091	32,595
Rental expenses		
- minimum lease payments on operating leases	323,640	323,640
- other rental expenses	59,922	22,355
Total rental expenses	383,562	345,995
(c) Investment Property		
Rental income from investment property - included investment income note 2(a)	26,040	17,027
Direct operating expenses from investment property	-	7,259
Net surplus on investment property	26,040	9,768

**Significant Events**

Included in the above 2008 figures for Legacies and Bequests is a single significant Bequest of shares to a market value of \$1,528,594

**3. CURRENT CASH AND CASH EQUIVALENTS**

Cash on hand	9,261	2,700
Cash at bank	4,040,524	3,447,998
Cash on deposit	3,826,388	4,107,471
	7,876,173	7,558,169

The effective interest rate on short-term deposits was 4.24% (2008: 8.10%); these deposits are currently available at call.

There is a Term Deposit in place of \$60,000, which is held under a Bank Guarantee with Westpac

The Credit Facility with Westpac undertaken in April 2008 is on an Unsecured basis.

Three bank accounts were opened in May 2009 for dealings directly associated with the Green Building



**AUSTRALIAN CONSERVATION FOUNDATION INC.**

**NOTES TO THE FINANCIAL REPORT  
FOR YEAR ENDED 30 June 2009**

	2009 \$	2008 \$
<b>4. CURRENT TRADE AND OTHER RECEIVABLES</b>		
Debtors - trade	123,921	93,811
Provision for doubtful debts	(2,545)	-
Debtors - non-trade	47,092	18,712
	<b>168,468</b>	<b>112,523</b>

a) At 30 June the aging analysis of trade receivables is as follows:

	Total	0-30 Days	31-60 Days	61-90 Days	+ 90 Days
<b>2009</b>	123,921	58,079	61,255	4,587	
<b>2008</b>	93,811	88,283	973	4,555	-

ACF is actively pursuing the debtors for funds and notes that a significant amount has come through during July.

Other balances within trade and other receivables do not contain impaired assets and it is expected that these other balances will be received.

b) Allowance for impairment loss

Trade receivables are non-interest bearing and are generally on 30 day terms. A provision for impairment loss is recognised where there is objective evidence that an individual trade receivable is impaired. No impairment loss has been recognised by ACF in the current year.

	2009 \$	2008 \$
<b>Movement in the impairment provision</b>		
1 July Balance	-	28,000
Charge for the year	2,545	-
Amounts written off	-	(28,000)
30 June Balance	<b>2,545</b>	<b>-</b>

**5. FINANCIAL ASSETS**

**CURRENT**

Direct mortgage - amortised cost	-	160,000
Assets at fair value accounted for through the Income Statement		
Equity trusts - at fair value	346,149	391,942
Property trusts - at fair value	68,940	202,898
Equity Portfolio - at fair value	1,026,888	1,184,598
	<b>1,441,977</b>	<b>1,939,438</b>
<b>NON-CURRENT</b>		
Direct mortgage - amortised cost	225,000	225,000
	<b>225,000</b>	<b>225,000</b>
	<b>1,666,977</b>	<b>2,164,438</b>

Mortgage over property at 12 Harness Place Pakenham was disposed of during the course of the year.

**6. ARTWORK**

**NON-CURRENT**

Artwork - at fair value	19,500	19,500
	<b>19,500</b>	<b>19,500</b>

**7. INVESTMENT PROPERTY**

**NON-CURRENT**

Property held for investment purposes - at fair value	680,000	660,000
	<b>680,000</b>	<b>660,000</b>
<b>Property Reconciliation</b>		
Opening Value	660,000	544,130
Additional expenditure	-	57,921
Revaluation accounted for in the Income Statement	20,000	57,949
Closing Balance	<b>680,000</b>	<b>660,000</b>

**8. CURRENT OTHER ASSETS**

Prepayments	59,639	206,362
Accrued investment income	19,627	5,808
	<b>79,266</b>	<b>212,170</b>

**Significant Events - Event Subsequent to Balance Sheet Date**

Effective 01 July 2009, ACF Headquarters situated at 60 Leicester Street was gifted to ACF; this will be brought to account in the 2010 year.

The rent equivalent for 2010 will be paid into a sinking fund, that will act as a Provision for Capital Works for 60L. The invoice for this was received in July, thereby not impacting the 30 June 2009 year.



**AUSTRALIAN CONSERVATION FOUNDATION INC.**

**NOTES TO THE FINANCIAL REPORT  
FOR YEAR ENDED 30 June 2009**

9. PROPERTY, PLANT & EQUIPMENT	2009	2008
<b>NON-CURRENT</b>	<b>\$</b>	<b>\$</b>
Office furniture and fittings - at cost	213,671	213,671
Accumulated depreciation	(115,752)	(95,935)
	97,919	117,736
Communications & information technology equipment - at cost	626,544	479,706
Accumulated depreciation	(378,553)	(279,674)
	247,991	200,033
Leasehold improvements - at cost	221,308	221,308
Accumulated depreciation	(190,391)	(179,439)
	30,917	41,869
Motor vehicles and accessories - at cost	60,732	60,732
Accumulated depreciation	(60,532)	(48,386)
	200	12,346
	<b>377,027</b>	<b>371,984</b>

**Movements in carrying amounts**

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

	Balance 1/07/2008 \$	Additions \$	Disposals / Adjustments \$	Depreciation expense \$	Balance 30/06/2009 \$
Office furniture and fittings	117,737			(19,818)	97,919
Comm. & information technology	200,033	147,471	(633)	(98,880)	247,991
Leasehold improvements	41,868			(10,951)	30,917
Motor vehicles and accessories	12,346			(12,146)	200
	<b>371,984</b>	<b>147,471</b>	<b>(633)</b>	<b>(141,795)</b>	<b>377,027</b>

	Balance 1/07/2007 \$	Additions \$	Disposals / Adjustments \$	Depreciation expense \$	Balance 30/06/2008 \$
Office furniture and fittings	96,449	41,489	(3,406)	(16,795)	117,737
Comm. & information technology	195,993	76,879	3,406	(76,245)	200,033
Leasehold improvements	51,942	6,434	3,406	(19,914)	41,868
Motor vehicles and accessories	24,492	-	-	(12,146)	12,346
	<b>368,876</b>	<b>124,802</b>	<b>3,406</b>	<b>(125,100)</b>	<b>371,984</b>

**10. INTANGIBLE ASSETS**

**NON-CURRENT**

	2009	2008
Computer software - at cost	483,121	424,375
Accumulated amortisation	(381,346)	(327,045)
	<b>101,775</b>	<b>97,330</b>

**Movements in carrying amounts**

Movement in the carrying amounts for intangible assets between the beginning and the end of the current financial year are as follows:

	Balance 1/07/2008 \$	Additions \$	Disposals / Adjustments \$	Amortisation expense \$	Balance 30/06/2009 \$
Computer software	97,330	60,895	(2,149)	(54,301)	101,775
	<b>97,330</b>	<b>60,895</b>	<b>(2,149)</b>	<b>(54,301)</b>	<b>101,775</b>

	Balance 1/07/2007 \$	Additions \$	Disposals / Adjustments \$	Amortisation expense \$	Balance 30/06/2007 \$
Computer software	169,545	3,349	(3,406)	(72,159)	97,330
	<b>169,545</b>	<b>3,349</b>	<b>(3,406)</b>	<b>(72,159)</b>	<b>97,330</b>

As a result of ACF installing a new Management Information System, the Software and the Development work have been recorded in Intangibles.

**11. CURRENT TRADE, OTHER PAYABLES AND FINANCIAL LIABILITIES**

	2009	2008
Trade creditors and accruals	683,736	983,788
Deferred membership income and deferred investment income	381,308	376,827
	<b>1,065,044</b>	<b>1,360,615</b>





**AUSTRALIAN CONSERVATION FOUNDATION INC.**

**NOTES TO THE FINANCIAL REPORT  
FOR YEAR ENDED 30 June 2009**

	2009 \$	2008 \$
<b>12. PROVISIONS</b>		
<b>CURRENT</b>		
Provision for employee benefits	945,275	842,398
<b>NON-CURRENT</b>		
Provision for employee benefits	104,900	67,073
	<b>1,050,175</b>	<b>909,471</b>
<b>13. LEASE COMMITMENTS</b>		
Operating lease commitments for rent of the Melbourne, Sydney, Cairns, Canberra, Adelaide and Broome offices.		
Payable within 1 year	76,071	369,190
Payable later than 1 but within 5 years	23,654	753,474
Payable later than 5 years	-	-
	<b>99,725</b>	<b>1,122,664</b>
<p>As a result of the Deed of Gift the lease in relation to the Melbourne property terminated on 30 June 2009. With effect from 1 July 2009, ACF will still create a provision into a sinking fund held for Capital Works Improvements.</p> <p>The lease for the Sydney property is a non-cancellable lease with a one year term, with rent payable monthly in advance.</p> <p>The lease for the Cairns property is a non-cancellable lease with a three year term, with rent payable monthly in advance.</p> <p>The lease for the Canberra property is a non-cancellable lease with a five year term, with rent payable monthly in advance.</p> <p>The sub-lease for the Adelaide property is non-cancellable with a three year term with rent payable quarterly in advance.</p> <p>The lease for the Broome property is a non-cancellable lease with a one year term, with rent payable monthly in advance.</p>		
<b>14. NOTES TO CASH FLOW STATEMENT</b>		
<b>(a) Reconciliation of Cash</b>		
For the purposes of the cash flow statement, cash includes cash on hand, cash at bank and cash on deposit as per Note 3.		
<b>(b) Reconciliation of net cash provided by operating activities to surplus for the year</b>		
Surplus / (deficit) for the year	(72,061)	580,576
<i>Non-cash flows from operating activities</i>		
Depreciation of property, plant and equipment	141,795	125,100
Amortisation of intangible assets	54,301	72,159
Provision for doubtful debts	2,545	-
Net loss on disposal of financial assets	106,890	134,261
Revaluation of Investment Property	(20,000)	(57,949)
Unrealised losses on financial assets	232,634	344,730
Bequest of non-cash financial assets	(34,544)	(1,621,425)
<i>Changes in assets and liabilities</i>		
(Increase) / decrease in receivables	(58,490)	(41,489)
(Increase) / decrease in other assets	132,904	63,650
Increase / (decrease) in payables	(300,052)	196,183
Increase / (decrease) in other liabilities	4,481	95,638
Increase / (decrease) in provisions	140,704	196,925
<b>Net cash provided by operating activities</b>	<b>331,106</b>	<b>88,359</b>
<b>(c)</b> ACF has no credit stand-by or financing facilities in place.		
<b>(d)</b> There were no non-cash financing or investing activities during the period.		
<b>15. INTERNATIONAL AID AND DEVELOPMENT ACTIVITIES</b>		
<b>Revenue</b>		
Donated funds & services	95,116	90,941
Grants	111,403	105,739
Other income	-	3,199
<b>Total revenue</b>	<b>206,519</b>	<b>199,879</b>
<b>Disbursements</b>		
Overseas projects	243,349	303,975
Internal labour effort	16,344	15,854
Community education	11,649	14,422
Fundraising	2,330	2,884
Administration	34,772	47,646
<b>Total disbursements</b>	<b>308,444</b>	<b>384,781</b>
<b>Excess of disbursements over revenue</b>	<b>(101,925)</b>	<b>(184,902)</b>
<b>In-kind volunteer services contribution (included above)</b>	<b>61,495</b>	<b>73,474</b>

The 2008 labour effort was not provided in last year's report so it is included here for comparative purposes.



# **AUSTRALIAN CONSERVATION FOUNDATION INC.**

## **NOTES TO THE FINANCIAL REPORT** **FOR YEAR ENDED 30 June 2009**

	2009 \$	2008 \$
<b>16. RELATED PARTIES</b>		
<b>Board Members</b>		
<p>The names of Board members who have held office during the financial year are listed on page 1 of this report. Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. Details of transactions between ACF and Board members and their related entities are as follows:</p>		
(a) Dr. Peter Christoff provided consultancy services to our Sustainable Australia program	-	1,500
	-	-

### **Key Management Personnel**

Key management personnel comprise ACF's Executive Management Team (EMT) who are responsible for planning, directing and managing ACF activities. Personnel who were members of EMT during the year, and their respective positions and appointment dates to those positions were:

Don Henry	Executive Director	Appointed: May 1998
Lucy Farmer	Communications Director	Appointed: April 2004
Denise Boyd	Campaigns Director	Appointed: February 2006
Michael Fogarty	Marketing Director	Appointed: April 2007 Resigned September 2008
Anna Molan	People and Operations Director	Appointed: April 2007
Charles Berger	Director Strategic Ideas	Appointed: November 2007
David McLean	Acting People and Operations Director	Appointed: September 2008
Danny Vadasz	Marketing Director	Appointed: December 2008
Salary & fees	664,229	541,088
Superannuation	58,970	47,537
Bonus	-	-
Short-term benefits	723,199	588,625
Other long-term benefits - long service leave	84,909	96,913
<b>Total Compensation</b>	<b>808,108</b>	<b>685,538</b>

### **17. ASSOCIATION INFORMATION**

Registered name	Australian Conservation Foundation Inc.
Registered number	A107
Registered office	Unit 5, Floor 1, Bailey's Corner, 143 London Circuit, Canberra, A.C.T., 2601.
Principal place of business	Floor 1, 60 Leicester Street Carlton, Vic., 3053.

### **18. SEGMENT INFORMATION**

ACF operates predominantly in one business and geographical area segment to achieve a healthy environment for all Australians.



## AUSTRALIAN CONSERVATION FOUNDATION INC.

### NOTES TO THE FINANCIAL REPORT FOR YEAR ENDED 30 June 2009

#### 19. FINANCIAL INSTRUMENTS

##### (a) Financial risk management

ACF's financial instruments consist of deposits with banks, local money market instruments, investments, accounts receivable and payable. ACF does not have any derivative instruments at 30 June 2009.

	NOTES	2009 \$	2008 \$
<b>Financial assets</b>			
Cash and cash equivalents	3	7,876,173	7,558,169
Loans and receivables	4	168,468	112,523
Financial assets at fair value through profit or loss			
- equity investments	5	1,441,977	1,939,438
- direct mortgages	5	225,000	225,000
		9,711,618	9,835,130
<b>Financial liabilities</b>			
Trade and other payables	11	1,065,044	1,360,615
		1,065,044	1,360,615

##### i. Treasury Risk Management

A Finance and Audit Committee consisting of Board members and external experts meets on a regular basis to analyse and advise the Board on treasury exposures and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

##### ii. Financial Risks

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

*Interest rate risk* - Interest rate risk is managed through minimising the use of debt financing.

*Liquidity risk* - ACF manages liquidity risk by monitoring forecast cash flows and ensuring that adequate at call funds 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. ACF does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by ACF.

*Foreign currency risk* - ACF is not exposed to fluctuations in foreign currencies.

*Price risk* - ACF is not exposed to any material commodity price risk.

##### (b) Interest risk

ACF is exposed to interest rate risk on cash on deposit. The Association has no external borrowings, and cash at bank is maintained at variable rates.

The following table illustrates the sensitivity of the net result for the year and equity to a reasonable possible change in the interest rates of +2% and -1% (2008: +2% and -1%), with effect from the beginning of the year. Taking into account past performance, future expectations and economic forecasts, the Board believes the movements are 'reasonably possible' over the next 12 months.

		2009 \$	2008 \$
<b>Cash on deposit</b>			
Net result - Increase/(Decrease)	+2%	76,528	82,149
Net result - Increase/(Decrease)	-1%	(38,264)	(41,075)
<b>Equity</b>			
Equity	+2%	76,528	82,149
Equity	-1%	(38,264)	(41,075)



**AUSTRALIAN CONSERVATION FOUNDATION INC.**

**NOTES TO THE FINANCIAL REPORT  
FOR YEAR ENDED 30 June 2009**

**19. FINANCIAL INSTRUMENTS (cont.)**

**(c) Liquidity Risk**

Liquidity risk arises from the possibility that ACF might encounter difficulty in settling its obligations related to financial liabilities.

To help reduce these risks we:

- have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- have readily accessible standby facilities and other funding arrangements in place;
- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments; and
- monitor budget to actual performance on a regular basis
- monitor, review and report the price movements of all investment assets on a monthly basis

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities. Cash flows realised from financial assets reflect managements expectation as to the timing of realisation.

	<b>2009</b>		
	<b>Within 1 Year</b>	<b>Greater than 1 Year</b>	<b>Total</b>
<b>Financial liabilities due for payment</b>			
Trade and other payables	1,065,044	-	1,065,044
Total expected outflows	1,065,044	-	1,065,044
<b>Financial assets - cash flows realisable</b>			
Cash and cash equivalents	7,876,173	-	7,876,173
Loans and receivables	168,468	-	168,468
Financial assets at fair value through profit or loss	-	-	-
- equity investments	1,441,977	-	1,441,977
- direct mortgages	225,000	-	225,000
Total anticipated inflows	9,711,618	-	9,711,618
Net (outflow)/inflow on financial instruments	8,646,574	-	8,646,574
	<b>2008</b>		
	<b>Within 1 Year</b>	<b>Greater than 1 Year</b>	<b>Total</b>
<b>Financial liabilities due for payment</b>			
Trade and other payables	1,360,615	-	1,360,615
Total expected outflows	1,360,615	-	1,360,615
<b>Financial assets - cash flows realisable</b>			
Cash and cash equivalents	7,558,169	-	7,558,169
Loans and receivables	112,523	-	112,523
Financial assets at fair value through profit or loss	-	-	-
- equity investments	1,939,438	-	1,939,438
- direct mortgages	225,000	-	225,000
Total anticipated inflows	9,835,130	-	9,835,130
Net (outflow)/inflow on financial instruments	8,474,515	-	8,474,515

**(d) Price risk**

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

ACF is exposed to securities price risk on financial assets at fair value through profit or loss. Such risk is

managed through diversification of investments across industries.

**(e) Net fair values**

The net fair values of listed investments have been valued at the quoted market bid price at balance date. For other assets and other liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments. Financial assets where the carrying amount exceeds net fair values have not been written down as the economic entity intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.





# **AUSTRALIAN CONSERVATION FOUNDATION INC.**

## **NOTES TO THE FINANCIAL REPORT FOR YEAR ENDED 30 June 2009**

	2009 \$	2008 \$
<b>20. FUNDRAISING ACTIVITIES AS CLASSIFIED BY THE NSW CHARITABLE FUNDRAISING ACT</b>		
ACF produced fundraising income of \$12,933,677 (2008: \$12,540,805). However, for the purposes of the NSW Charitable Fundraising Act only certain classes of income are included under the definition of 'fundraising income' (and income from bequests, membership and unsolicited donations is specifically excluded). The following figures are those applicable under the NSW Act's classification .		
<b>Details of total income and expenditure from fundraising activities</b>		
(As classified by the NSW Charitable Fundraising Act)		
Total income from fundraising activities	8,762,705	7,175,873
Less total expenditure on fundraising activities	3,541,533	3,769,783
Net surplus from fundraising activities	5,221,173	3,406,090

### **Information on material matters**

All fundraising activities achieved the targeted returns under the NSW Charitable Fundraising Act, except for Key Relationships, which came in at a slight deficit of \$73,825.

For more information on revenue and costs of fundraising see the Income Statement on page 6 and the significant accounting policies in Note 1 on pages 10-15.

### **Application of funds for charitable purposes**

During the year ACF achieved a net surplus of \$5,221,173 (2008 \$3,406,090) from fundraising activities defined under the NSW Charitable Fundraising Act. Of this surplus, \$2,136,168 (2008 \$2,507,873) was used to fund environmental programs, \$700,000 was allocated to the endowment fund and operating reserves (2008 \$1,300,000) for future development and cash flow needs leaving \$2,385,004 allocated to organisational support (2008 \$401,784).

### **Fundraising conducted jointly with external service providers**

ACF engages external service providers to assist in the face to face recruitment of new donors for our EarthVoice monthly giving program, to assist in the development of our direct mail appeals, and to develop and market the calendar and diary program. The gross contribution from these programs does not include future income to be received from donors under the EarthVoice monthly giving program.

Gross income from fundraising activities involving external service providers	5,699,180	5,357,726
Gross expenditure on fundraising activities involving external service providers	2,522,794	3,052,406
Gross Contribution	3,176,385	2,305,320

### **Fundraising activities as classified by the NSW Charitable Fundraising Act conducted during the Financial year**

Diary and calendar program  
EarthVoice monthly giving program  
Mail appeals - September, March and May  
Major donor program  
Business partnerships program

(Note: Income from programs such as bequests, membership and unsolicited donations are not included under this classification).

### **Fundraising performance comparisons on activities classified by the NSW Charitable Fundraising Act**

<i>A divided by B</i>	A \$	B \$	2009 %	2008 %
Total cost fundraising/Gross proceeds of fundraising	3,541,533	8,762,705	40.4%	52.5%
Net surplus from fundraising/Gross proceeds of fundraising	5,221,173	8,762,705	59.6%	47.5%
Environmental programs expenditure/Expenditure	6,745,374	13,523,933	49.9%	49.1%
Environmental programs expenditure/Income	6,745,374	13,451,872	50.1%	46.9%

As noted above ACF has made a significant investment in the EarthVoice monthly giving program. The return on this investment, as is usual for this type of program, is achieved over a number of years.



**ANNUAL & SUSTAINABILITY  
REPORT 2008-09**



**AUSTRALIAN  
CONSERVATION  
FOUNDATION**

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