

HUMANE SOCIETY INTERNATIONAL INCORPORATED

ABN: 63 510 927 032

**Financial Report For The Year Ended
30 June 2011**

HUMANE SOCIETY INTERNATIONAL INCORPORATED

ABN: 63 510 927 032

Financial Report For The Year Ended 30 June 2011

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HUMANE SOCIETY INTERNATIONAL INCORPORATED
ABN: 63 510 927 032
COMMITTEE'S REPORT

Your committee members submit the financial report of the Humane Society International Incorporated for the financial year ended 30 June 2011.

Committee Members

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

M Kennedy - President
V Simpson - Treasurer
P Woolley - Vice President
E Willis-Smith - Secretary
J Irwin
A Rowan
P Forkan retired (30/11/2010)
D Anderson - Mgt Committee only
J Grandy appointed (30/11/2010)

Principal Activities

The principal activities of the association during the financial year were:

- Protection of wildlife & animals generally;
- Protection of wildlife habitats.

Significant Changes

No significant change in the nature of these activities occurred during the year except project priorities were directed towards increasing commitments to regional and international on-ground conservation projects in the 2010-2011 budget period.

Operating Result

The profit after providing for income tax amounted to \$19,253.

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

M Kennedy - President

V Simpson - Treasurer

Dated this

1st day of September 2011

HUMANE SOCIETY INTERNATIONAL INCORPORATED
ABN: 63 510 927 032
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2011

	Note	2011	2010
		\$	\$
Revenue	2	1,998,078	2,022,312
Depreciation and amortisation expense		(11,370)	(14,163)
Other expenses		(1,967,455)	(1,840,697)
Profit before income tax		19,253	167,452
Income tax expense		-	-
Profit for the year		<u>19,253</u>	<u>167,452</u>
Other comprehensive income after income tax:			
Net (loss)/gain on remeasurement of investments in listed shares available for sale		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		<u>19,253</u>	<u>167,452</u>
Total comprehensive income attributable to members of the entity		<u>19,253</u>	<u>167,452</u>

The accompanying notes form part of these financial statements.

HUMANE SOCIETY INTERNATIONAL INCORPORATED
ABN: 63 510 927 032
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2011

	Note	2011 \$	2010 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	550,432	412,984
Trade and other receivables	4	-	99,767
TOTAL CURRENT ASSETS		<u>550,432</u>	<u>512,751</u>
NON CURRENT ASSETS			
Property, plant and equipment	5	2,037,343	2,025,932
TOTAL NON-CURRENT ASSETS		<u>2,037,343</u>	<u>2,025,932</u>
TOTAL ASSETS		<u>2,587,775</u>	<u>2,538,682</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	6	205,448	168,251
TOTAL CURRENT LIABILITIES		<u>205,448</u>	<u>168,251</u>
NON CURRENT LIABILITIES			
Borrowings	7	1,075,000	1,082,557
TOTAL NON CURRENT LIABILITIES		<u>1,075,000</u>	<u>1,082,557</u>
TOTAL LIABILITIES		<u>1,280,448</u>	<u>1,250,809</u>
NET ASSETS		<u>1,307,327</u>	<u>1,287,874</u>
EQUITY			
Retained earnings		1,307,327	1,287,874
TOTAL EQUITY		<u>1,307,327</u>	<u>1,287,874</u>

The accompanying notes form part of these financial statements.

HUMANE SOCIETY INTERNATIONAL INCORPORATED
ABN: 63 510 927 032
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2011

	Retained Earnings	Financial Assets Reserve	General Reserves	Total
	\$	\$	\$	\$
Balance at 1 July 2009	1,120,422			1,120,422
Comprehensive Income				
Profit for the year	167,452			167,452
Other comprehensive income for the year				-
Total comprehensive Income	<u>167,452</u>	-	-	<u>167,452</u>
Balance at 30 June 2010	<u>1,287,874</u>	-	-	<u>1,287,874</u>
Comprehensive Income				
Profit for the year	19,253			19,253
Other comprehensive income for the year				-
Total comprehensive Income	<u>19,253</u>	-	-	<u>19,253</u>
Balance at 30 June 2011	<u>1,307,127</u>	-	-	<u>1,307,127</u>

The accompanying notes form part of these financial statements.

HUMANE SOCIETY INTERNATIONAL INCORPORATED
ABN: 63 510 927 032
STATEMENT OF CASH FLOWS FOR YEAR ENDED 30 JUNE 2011

	Note	2011 \$	2010 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating grants receipts		25,000	40,931
Receipts from sales of publications		880	27,721
Donations received		1,742,036	1,724,260
Payments to suppliers and employees		(1,830,492)	(1,938,809)
Interest received		18,014	12,411
Bequest Income		111,880	208,028
RDMF		100,117	-
Sundry Income		351	8,962
Income tax paid		-	-
Net cash provided by/(used in) operating activities	10	<u>167,787</u>	<u>83,503</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		-	-
Purchase of property, plant and equipment		(22,781)	(1,102,064)
Net cash provided by/(used in) investing activities		<u>(22,781)</u>	<u>(1,102,064)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of borrowings		(7,557)	-
Proceeds from borrowings		-	1,082,557
Net cash provided by/(used in) financing activities		<u>(7,557)</u>	<u>1,082,557</u>
Net increase/(decrease) in cash held		137,448	63,996
Cash and cash equivalents at beginning of financial year		412,984	348,988
Cash and cash equivalents at end of financial year	3	<u><u>550,432</u></u>	<u><u>412,984</u></u>

The accompanying notes form part of these financial statements.

HUMANE SOCIETY INTERNATIONAL INCORPORATED
ABN: 63 510 927 032
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

The financial statements cover Humane Society International Incorporated as an individual entity. Humane Society International Incorporated is an association incorporated in NSW under the associations Incorporations Act 1981.

Note 1 Summary of Significant Accounting Policies

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Associations Incorporations Act 1981*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial statements were authorised for issue on 24th August 2011 by the members of the association.

Accounting Policies

(a) Income Tax

The entity is a charitable institution therefore is endorsed to access the income tax exemption.

(b) Property, Plant and Equipment

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

Plant and equipment

Plant and equipment is measured on the cost basis and is therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(f) for details of impairment).

The cost of fixed assets constructed by the association includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

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 the association and the cost of the item can be measured reliably. All other repairs and maintenance are recognised in profit or loss during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is available 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 assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

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

(c) Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

(d) Cash and Cash Equivalents

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

(e) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

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

(f) Borrowing Costs

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

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(g) Goods and Services Tax (GST)

HUMANE SOCIETY INTERNATIONAL INCORPORATED
ABN: 63 510 927 032
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

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

(h) Comparative Figures

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

When the association has retrospectively applied an accounting policy, made a retrospective restatement or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

(i) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(j) Provisions

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Note 2 Revenue and Other Income

	2011 \$	2010 \$
Sales revenue		
— sale of publications	-	-
Other revenue		
— operating grants	5,000	20,931
— donations	1,741,836	1,724,260
— Grants Received - GVEHO	20,000	20,000
— Sales and Promotions	880	27,721
— Bequest Income	111,880	208,028
— RDMF	100,117	-
— other revenue from operating activities	351	8,962
— interest received (on financial assets not at fair value through profit or loss)	18,014	12,411
— proceeds on sale of property, plant and equipment	-	-
— other revenue from non-operating activities	-	-
	<u>1,998,078</u>	<u>2,022,312</u>
Total revenue	<u>1,998,078</u>	<u>2,022,312</u>

Note 3 Cash and Cash Equivalents

	2011 \$	2010 \$
Cash at bank and in hand	550,432	412,984
Short-term bank deposits	-	-
	<u>550,432</u>	<u>412,984</u>

Reconciliation of cash

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

Cash and cash equivalents	<u>550,432</u>	<u>412,984</u>
	<u>550,432</u>	<u>412,984</u>

Note 4 Trade and Other Receivables

	2011 \$	2010 \$
CURRENT		
Subscriptions receivable	-	-
Other receivables	-	99,767
Total current trade and other receivables	<u>-</u>	<u>99,767</u>

Note 5 Property, Plant and Equipment

	2011 \$	2010 \$
Office equipment:		
At cost	209,399	186,617
Accumulated depreciation	<u>(178,115)</u>	<u>(168,076)</u>
	<u>31,284</u>	<u>18,541</u>

HUMANE SOCIETY INTERNATIONAL INCORPORATED
ABN: 63 510 927 032
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

Motor Vehicles	19,995	19,995
(Accumulated depreciation)	(15,411)	(14,080)
	<u>4,584</u>	<u>5,915</u>
Insert Details		
"Warriwillah" Clearview Rd, Michelago-Value on Acquisition	902,825	902,825
11/27 Old Barrenjoey Rd, Avalon-AI Cost	<u>1,098,650</u>	<u>1,098,650</u>
	<u>2,001,475</u>	<u>2,001,475</u>
Total property, plant and equipment	<u>2,037,343</u>	<u>2,025,932</u>

Note 6 Trade and Other Payables

		2011	2010
	Note	\$	\$
CURRENT			
Trade payables		16,527	13,922
Employee benefits	6a	183,840	148,291
Fringe Benefits Payable		4,354	6,039
GST & PAYG Withholding Payable		<u>727</u>	<u>-</u>
		<u>205,448</u>	<u>168,251</u>
a. Financial liabilities at amortised cost classified as trade and other payables		2011	2010
		\$	\$
Trade and other payables			
— total current		205,448	168,251
— total non-current		-	-
		<u>205,448</u>	<u>168,251</u>
Less grants received in advance		-	-
Less employee benefits		<u>(183,840)</u>	<u>(148,291)</u>
Financial liabilities as trade and other payables		<u>21,608</u>	<u>19,961</u>

Collateral pledged

No collateral has been pledged for any of the trade and other payable balances.

Note 7 Borrowings

		2011	2010
	Note	\$	\$
CURRENT			
Lease liability		-	-
		<u>-</u>	<u>-</u>
NON-CURRENT			
Lease liability		-	-
Bank Loans		<u>1,075,000</u>	<u>1,082,557</u>
		<u>1,075,000</u>	<u>1,082,557</u>
Total borrowings		<u>1,075,000</u>	<u>1,082,557</u>

Note 8 Reserves

General Reserve

The general reserve represents funds set aside for future expansion of the association.

Financial Assets Reserve

The financial assets reserve represents the cumulative amount of fair value gains/losses recognised in other comprehensive income in remeasuring the investments in listed shares available for sale.

Note 9 Events after the Reporting Period

No

Note 10 Cash Flow Information

	2011	2010
	\$	\$
Reconciliation of cash flow from operations with profit after income tax		
Profit after income tax	19,253	167,452
Cash flows excluded from profit attributable to operating activities	200	
Non-cash flows in profit		
— Depreciation	11,370	14,163
— Net (gain)/loss on disposal of property, plant and equipment		
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
— (Increase)/decrease in trade and term debtors	99,767	-

HUMANE SOCIETY INTERNATIONAL INCORPORATED
ABN: 63 510 927 032
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

— Increase/(decrease) in trade and other payables	920	(8,949)
— Increase/(decrease) in current tax liabilities	727	(115,948)
— Increase/(decrease) in employee benefits	35,549	26,786
	<u>167,787</u>	<u>83,503</u>

Note 11 Association Details

The registered office of the association is:
Humane Society International Incorporated
Suite 5/27 Old Barrenjoey Road, AVALON NSW 2107

The principal places of business is:
Humane Society International Incorporated
Suite 5/27 Old Barrenjoey Road, AVALON NSW 2107

HUMANE SOCIETY INTERNATIONAL INCORPORATED
ABN: 63 510 927 032
COMPILATION REPORT TO HUMANE SOCIETY INTERNATIONAL INCORPORATED

We have compiled the accompanying special purpose financial statement of Humane Society International Incorporated which comprise the attached income and expenditure statement for the year ended 30 June 2011. The specific purpose for which the special purpose financial statements have been prepared is to provide financial information to the committee of management.

The Responsibility of the Committee of Management


The committee of management is solely responsible for the information contained in the special purpose financial statement and has determined that the basis of accounting adopted is appropriate to meet the needs of the committee of management for the purpose of complying with the association's constitution.

Our Responsibility

On the basis of information provided by the committee of management we have compiled the accompanying special purpose financial statement in accordance with the basis of accounting and APES 315: Compilation of Financial Information.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the directors provided, in compiling the financial statement. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The special purpose financial statements was compiled exclusively for the benefit of the committee of management. We do not accept responsibility to any other person for the contents of the special purpose financial statement.

Address	Level 6, 72 Pitt Street, SYDNEY NSW 2000	Name of Firm	Lowy Wilcock & Co
Date	2nd September, 2011	(Signed)	

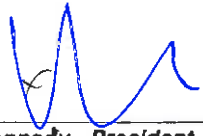
HUMANE SOCIETY INTERNATIONAL INCORPORATED
ABN: 63 510 927 032
STATEMENT BY MEMBERS OF THE COMMITTEE

In the opinion of the committee the financial report as set out on pages 2 to 9:

1. Presents a true and fair view of the financial position of Humane Society International Incorporated as at 30 June 2011 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that Humane Society International Incorporated will be able to pay its debts as and when they fall due.

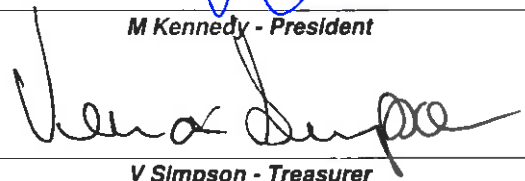
The statement is made in accordance with a resolution of the committee and is signed for and on behalf of the committee by:

President



M Kennedy - President

Treasurer



V Simpson - Treasurer

Dated this

1st day of *September* 2011

HUMANE SOCIETY INTERNATIONAL INCORPORATED
ABN: 63 510 927 032
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
HUMANE SOCIETY INTERNATIONAL INCORPORATED

Report on the Financial Report

We have audited the accompanying financial report of Humane Society International Incorporated (the association), which comprises the statement of financial position as at 30 June 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporation Act 1981 and for such internal control as the committee determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial report of Humane Society International Incorporated is in accordance with the Associations Incorporation Act 1981, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2011, and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards.

Auditor's signature:



Lowy Wilcock & Co

Auditor's address: Level 6, 72 Pitt Street, SYDNEY NSW 2000

Dated this



day of



2011

HUMANE SOCIETY INTERNATIONAL INCORPORATED
ABN: 63 510 927 032
CERTIFICATE BY MEMBERS OF THE COMMITTEE

I, M Kennedy - President of 5/27 Old Barrenjoey Rd, Avalon NSW, and I, V Simpson - Treasurer of 5/27 Old Rd, Avalon NSW certify that:

- a. We attended the annual general meeting of the association held on [date X].
- b. The annual financial statements for the year ended 30 June 2011 were submitted to the members of the association at its annual general meeting.

Dated this X day of X 2011

X

M Kennedy - President

X

V Simpson - Treasurer

HUMANE SOCIETY INTERNATIONAL INCORPORATED
ABN: 63 510 927 032
INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 30 JUNE 2011

	2011 \$	2010 \$
REVENUE		
Operating activities:		
Operating grant	5,000	20,931
Donations	1,741,836	1,724,260
Other revenue from operating activities	351	8,962
Grants Received - GVEHO	20,000	20,000
Sales and Promotions	880	27,721
Bequest Income	111,880	208,028
RDMF	100,117	-
Non-operating activities:		
Interest	18,014	12,411
Proceeds on sale of property, plant and equipment	-	-
Other revenue from non-operating activities	-	-
	<u>1,998,078</u>	<u>2,022,312</u>
EXPENDITURE		
Bank charges	26,562	30,465
Depreciation		
Depreciation expense:		
— office equipment	11,370	14,163
Annual Leave Provision	60,485	35,316
Campaign Communications and Publications	55,417	12,565
Education	4,109	7,418
Fundraising	133,272	178,513
General	255,539	277,900
Membership	3,765	5,616
Program Expenditures	797,997	842,476
Project Payments	627,476	445,195
"Warriwillah" Holding Cost	2,834	5,233
Other expenses from ordinary activities	-	-
	<u>1,978,825</u>	<u>1,854,860</u>
Profit before income tax	19,253	167,452
Income tax expense	-	-
Profit after income tax	<u>19,253</u>	<u>167,452</u>

This statement should be read in conjunction with the attached compilation report of Lowy Wilcock & Co
Accountants.



**HUMANE SOCIETY
INTERNATIONAL**

CAMPAIGN REPORT 2011

Humane Society International Inc. | PO Box 439 Avalon NSW 2107 Australia | Ph + 61 2 9973 1728 | www.hsi.org.au



Photo Scott Portelli

THE YEARS FLY PAST SO QUICKLY that the staff at HSI hardly have time to draw breath – there is always so much to do for so many animals and natural places. As always the time represents a period of successes and frustrations, but also essential work that carries on only because of your determined support.

The campaigns and programs shown in this brief report to you highlight just some of the work in which we engage. Over the past 18 months for example, HSI has directed over \$800,000 to approximately 77 projects all over the world.

HSI was particularly disappointed this year to discover the re-emergence of fur apparel containing dog fur in retail shops everywhere and immediately had Australia's best scientists test the garments for canid hairs. That dog fur was indeed back on sale again was confirmed, triggering our new campaign for action by Customs and very broad coverage in the media. We are still fighting on this front!

Besides our work on protecting dolphins and sea lions, HSI has maintained its priority focus on the conservation of albatross and petrel species killed in fishing operations around Australia and globally. It is thought that between 160,000 and in excess of 320,000 seabirds are killed every year! HSI is committed to stopping this atrocity.

Our marine efforts are equally matched by our programs to protect wildlife habitats on land, helping to achieve two land-mark protections this year, with the legal listing of 3.3 million acres of threatened, and nearly 50 million heritage acres in the West Kimberley. Along with our climate change work here and internationally, this all helps to keep carbon in the ground!

A final thankyou to you all for your unstinting support throughout the year, and we very much look forward to working with you again as we head into 2012 and continue our fight for the animals and their environment.



PROTECTING DOLPHINS AND AUSTRALIAN SEA LIONS

HSI HAS HAD GREAT SUCCESS in stopping the killing of dolphins drowned in commercial fishing nets in Australia's biggest fishery. In a 12 month period between 2010 and 2011 nearly 50 dolphins are known to have died. Immediate action by HSI saw a large area within that fishery closed to gillnet fishing, covering an area of approximately 27,239 square kilometres. In addition, large dolphin observation zones have been established with 100% observer coverage by cameras or on-board observers. HSI is continuing to closely monitor the fishery to ensure that no more dolphin deaths occur.

HSI has also successfully continued to campaign against the killing of an estimated 256 threatened Australian sea lions in commercial fishing nets each year, in the same fishery killing dolphins. As with the dolphins, we have been able to trigger the closure of a large number of areas around sea lion colonies to provide greater protection and we're lobbying hard for zero bycatch allowance – and we are getting near to that figure.

SHARKS

HSI CONTINUES TO BE AT THE FOREFRONT of shark protection internationally and in Australia, striving for globally improved fisheries' management practices and an end to targeted shark fisheries in Australia. This includes a goal to see the sale and consumption of shark fin made illegal. As a part of our campaign, HSI has also convinced State and Federal governments to assess the dusky whaler, short fin mako, spotted wobbegong, scalloped hammerhead and great hammerhead sharks for legal protection as threatened species.



Photo istockphoto.com/Jon Dawes

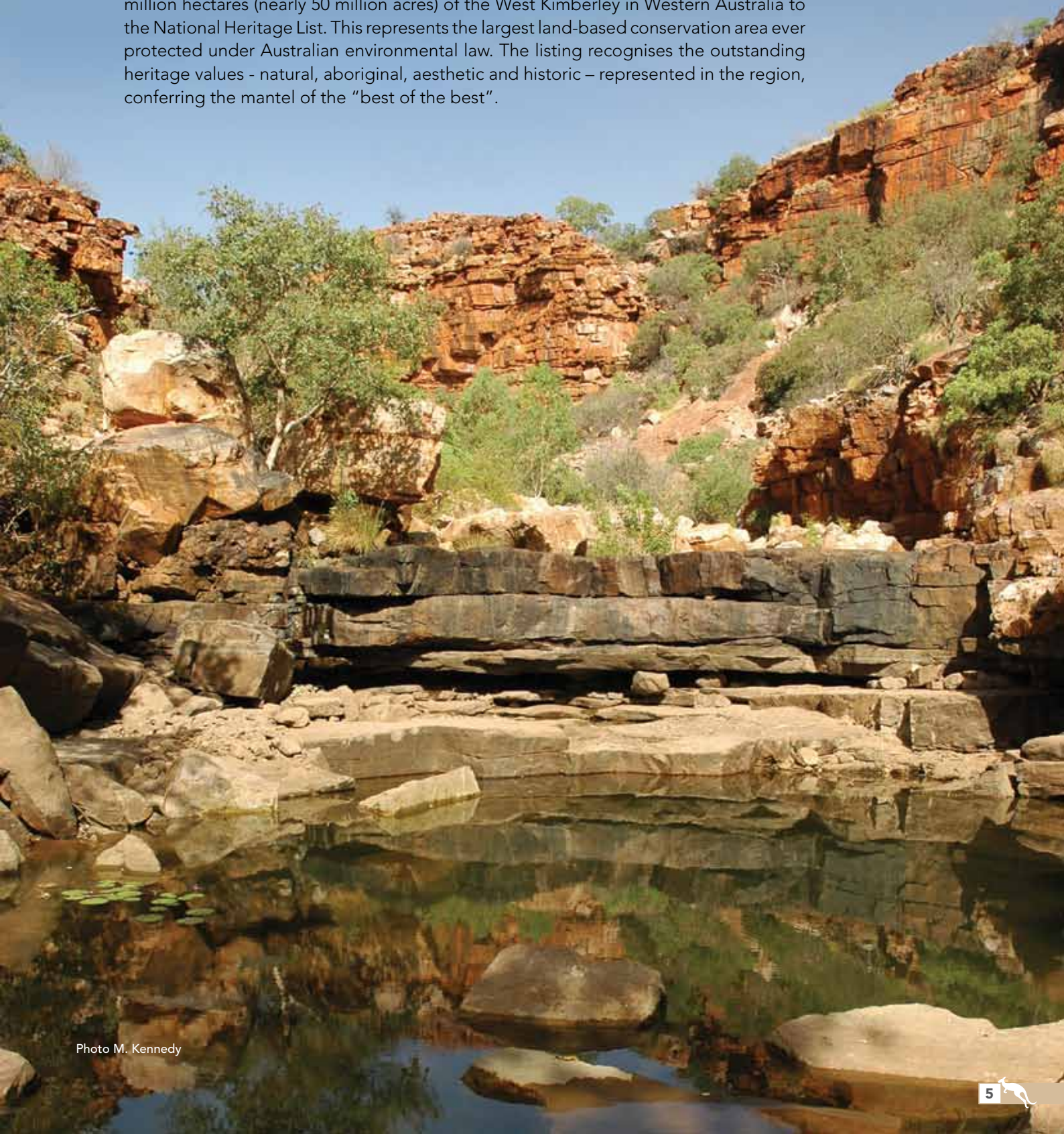
THE GREAT APES

OUR SUPPORT for mountain gorilla conservation in the Congo, Uganda and Rwanda continued until the start of 2011 when we began to support the protection of eastern lowland gorilla in the Kahuzi-Biega National Park in the Democratic Republic of the Congo. Combined conservation efforts have seen mountain gorilla numbers increase by around 26% since 2003, while the Chief Warden in Kahuzi-Biega has just established a new ranger post in a previously war-torn area of the Park. HSI also continues to support orangutan protection programs in Sumatra and Kalimantan, and gorilla and chimpanzee rehabilitation programs in the Congo.



PROTECTING THE KIMBERLEY

HSI WAS VERY PROUD to have played a part in the recent addition of more than 19 million hectares (nearly 50 million acres) of the West Kimberley in Western Australia to the National Heritage List. This represents the largest land-based conservation area ever protected under Australian environmental law. The listing recognises the outstanding heritage values - natural, aboriginal, aesthetic and historic – represented in the region, conferring the mantle of the “best of the best”.





NUSA PENIDA BIRD SANCTUARY

WHILE HSI'S Wildlife Land Trust continues to grow around the country, numbering 138 member sanctuaries and covering approximately 70,000 acres, the work of our international Wildlife Land Trust partner sanctuaries also continue apace. Of particular note this year are the successful bird-release programs of the Friends of the National Parks Foundation at the Nusa Penida Island Bird

Sanctuary, off the coast of Bali. In celebration of the fifth anniversary of the first successful Bali starling release on the island (a highly endangered species that now numbers over 100 on Nusa Penida), a release ceremony for 100 threatened Java sparrows (near extinct in Bali) took place amid a throng of village chiefs and dignitaries. Both species are now flourishing!



HSI Director Verna Simpson releases Javan sparrows. Photo Dr Jan Schmidt-Burbach



© S

Madagascar radiated tortoise.
Photo Turtle Conservation Fund

THE CONSERVATION OF FRESH WATER TURTLES AND TORTOISES

HSI HAS BEEN very privileged to be a partner organisation in a truly global effort to protect the world's highly threatened and fast diminishing populations of freshwater turtles and tortoises. We have helped finance some 32 separate projects in 15 countries around the globe, directly benefiting the survival of these extremely fragile and little understood animal families. We have been able to support this critical work through our partnership in the international Turtle Conservation Fund, a collection of leading conservation organisations dedicated to the protection of these precious animals.



CLIMATE CHANGE AND HABITAT PROTECTION

WE HAVE BEEN ABLE to successfully influence the degree to which the Federal Government's new climate change laws will benefit habitat conservation, helping ensure that "green carbon" programs have a chance to work effectively. At the same time, we have gained protection for the largest area of a threatened ecological community ever listed under Federal law - some 1.3 million hectares (3.3 million acres) of Coolibah – Black Box Woodland – and helped keep carbon in the ground! HSI has also maintained its lobbying presence at the global climate change negotiations, fighting for tropical forest protection as we head into the final talks in Durban in December.

Coolibah – Black Box Woodland.
Photo John Benson





Wildlife SOS Co-Founder and Director Kartick Satyanaraya (second from right) with anti-poaching team members and confiscated leopard skins.

ANTI-WILDLIFE POACHING IN INDIA

EVERY YEAR IN INDIA, many tens of thousands of animals die because of the ongoing illegal trade in wildlife and their body parts. But, this year, thanks to the generous support of HSI donors, we were able to help fund the continuing work of "ForestWatch", an undercover team run by Wildlife SOS - a special force dedicated to reducing the poaching of all wildlife. They work with the forest department and police in various parts of India, building upon their previous successes in bringing down some of the prime poachers in Asia. HSI also supports anti-poaching activities in South Africa, Zimbabwe, Tanzania, Zambia, the Democratic Republic of the Congo, Indonesia and Vietnam.





Raccoon dogs.
Photo Lauri Sippu

DOG AND CAT FUR IMPORTS EXPOSED

FOLLOWING OUR GREAT SUCCESS back in 2004 in first exposing and then securing a ban on the cruel and illegal imports of dog and cat fur from China, HSI was shocked this year to find major retail shops in Australia selling these garments again. We hit the Federal Government hard over this scandal and re-launched in the media the original footage taken by our under cover team in China of this horrific trade. This triggered TV spots around the country, putting as much pressure as possible on the Government and importers. As we go to print, the Federal Minister responsible is dodging all interviews and we are reviewing legal options.



Photo HSI



Dog pelts.
Photo Charlie Sellers



A BETTER LIFE FOR FARM ANIMALS

THROUGHOUT THIS YEAR'S SCANDAL about the live cattle export trade, HSI has continued to grow its **Humane Choice – True Free Range** food label, bringing on-board many new free range farmers producing **Humane Choice** high standard products. Meanwhile, we have been rattling the cages of the Australian Egg Corporation and Australian Pork Limited – amongst others – who

are feeling the pressure following a large number of formal complaints by HSI to the Australian Competition and Consumer Commission (ACCC). HSI's complaints have helped trigger court action by the ACCC against false advertising in the egg industry, while we continue to consider our own legal options.





THE DEATH OF CHAMPA



Photo Wildlife SOS

The following note arrived from Kartick Satyanarayan on September 10th, 2011:

“

Dear Verna and Michael,

I write with a heavy heart that Champa just left for her heavenly abode and has passed on to happier and more peaceful pastures.

We are currently carrying out her post mortem procedures (required by law in the presence of forest department officials) followed by a burial ceremony.

Champa lives on in our hearts as the founder of elephant haven.

We all pray for her departed soul to rest in peace.

Love and prayers

Kartick, Geeta and the WSOS team

”

All the team at HSI were extremely saddened by the news, but we know that Champa spent her last two years in peace and tranquillity at the elephant sanctuary, loved and cared for by those that rescued her - eating and sleeping without threat from anybody or anything. We are just very grateful that she was able to enjoy these few pleasures in life before passing away among her new elephant friends.



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Your support is vital to the work we do. Thank you.

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