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-Smlth 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 profil 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 let day or September 2011 Dated this

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

	Note	2011 \$	2010 \$
Revenue Deprecialion and amortisation expense Other expenses Profit before income tax Income tax expense	2	1,998,078 (11,370) (1,967,455) 19,253	2,022,312 (14,163) (1,840,697) 167,452
Profit for the year		19,253	167,452
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		19,253	167,452
Total comprehensive income attributable to members of the entity		19,253	167,452

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

	Note	2011 \$	2010 \$
ASSETS		4	Þ
CURRENT ASSETS			
Cash and cash equivalents	3	550,432	412,984
Trade and other receivables	4		99,767
TOTAL CURRENT ASSETS		550,432	512,751
NON CURRENT ASSETS			
Property, plant and equipment	5	2,037,343	2,025,932
TOTAL NON-CURRENT ASSETS		2,037,343	2.025.932
TOTAL ASSETS		2,587,775	2,538,682
LIABILITIES			
CURRENT LIABILITIES	_		
Trade and other payables	6	205,448	168,251
TOTAL CURRENT LIABILITIES		205,448	168,251
NON CURRENT LIABILITIES			
Borrowings	7	1.075,000	1.082,557
TOTAL NON CURRENT LIABILITIES		1,075,000	1,082,557
TOTAL LIABILITIES		1,280,448	1,250,809
NET ASSETS		1,307,327	1,287,874
EQUITY			
Retained earnings		1.307,327	1,287,874
TOTAL EQUITY		1,307,327	1,287,874

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

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

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		860	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	167,787	83,503
CASH FLOWS FROM INVESTING ACTIVITIES Proceeds from sale of property, plant and equipment Purchase of property, plant and equipment Net cash provided by/(used In) Investing activities		(22, 78 1) (22,781)	(1,102,064) (1,102,064)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of borrowings		(7,557)	-
Proceeds from borrowings		-	1,082,557
Net cash provided by/(used in) (inancing activities		(7,557)	1,082,557
Net Increase/(decrease) in cash heid		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	з	550,432	412,984

The financial statements cover Humane Society International Incorporated as an individual entity. Humane Society International Incorporated Is an association incorporated in NSW order 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 has 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 (i) 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 tubre 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 fixencial 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 disposats are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When reveaued assets are sold, amounts included in the revaluation relating to that asset are transferred to ratelined earnings.

(c) Employee Benefils

Provision is made for the essociation'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 said when the liability is settled. Employee benefits payable later than one year have been measured at the employee do the end of the reporting period. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outllows 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 vasiing requirements. Those cash outllows 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 lockude 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 overdifaits. Bank overdifaits are shown within borrowings in current liabilities in the statement of tinancial position,

(e) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or received is racefulding into account any trade discounts and volume rebates allowed. Any consideration deterred 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 cassation of all involvement in those goods.

Interest revenue is recognised using the effective interest rate method, which, for figating 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 fina basis over the financial year.

All revenue is stated net of the emount of goods and services (ax (GST),

(I) 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)

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 all 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 banefils 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

11010 6				
			2011	2010
			\$	\$
Sales revenu				
	of publications			
Other revenu	e.			
	aling grants		5,000	20,931
— dona			1,741,835	1,724,260
— Gran	Is Received - GVEHO		20,000	20,000
	and Promotions		860	27,721
	est income		111,860	208,028
- RDM			100,117	-
	revenue from operating activities		351	8,962
	est received (on linancial assets not et fair value			
	gh profil or loss)		18.014	12,411
	ands on sale of property, plant and equipment			-
- oner	revenue from non-operating activities		4 000 070	-
Tatal save sur			1,998,076	2,022,312
Total revenue	þ		1,998.076	2,022,312
Nate 3	Cash and Cash Equivalents			
			2011	2010
		Nola	5	\$
Cash al bank	and in hand	14010	\$50,432	412,984
Short-term be				- 16.304
			550,432	412,984
Reconciliation	n ol cash			
Cash at the e	nd of the linancial year as shown in the statement of			
cash flows is	reconciled to items in the statement of linancial			
position as fo	llows:			
Cash and cas	sh equivalents		550,432	412,984
			550,432	412,984
Note 4	Trade and Other Receivables			
			2011	2010
		Nole	\$	S
CURRENT				
Subscriptions			-	
Other receiva			-	99,767
Total current	trade and other receivables		-	99,767
Note 5	Property Bight and Employeest			
	Property, Plant and Equipment			
			2011	2010
08	1		5	\$
Office equipm	ient:			
Al cost	dance stalls a		209,399	186,617
Accumulated	oeprecialion		(178,115)	[168,076]
			31,284	18,541
			7	

Motor Vehicle	5		19,995	19,995
	(depreciation)		(15,411)	(14,080)
		-	4,584	5,915
Inserl Details		-		
"Warriwillah"	Clearview Rd, Michelago-Value on Acquisition		902,825	902,825
11/27 Old Ba	rrenjoey Rd, Avalon-At Cost		1,098,850	1,098,650
			2,001,475	2,001,475
Total property	r, plant and equipment		2,037,343	2,025,932
Note 6	Trade and Other Payables			
			2011	2010
		Note	\$	S
CURRENT				
Trade payabl		-	16,527	13,922
Employee be		6a	183,840	148,291
Fringe Geneli			4,954	6,039
OST & PAYG	Withholding Payable	-	727	-
			206,448	168,251
a. Finah	cial liabilitiés at amortised cost classified as		2011	2010
trede	end other payables		\$	S
Trade	and other payables			
_	loial curreni		205,448	168,251
_	loisi non-currani	-		•
			205,448	168,251
	grants received in advance		-	-
	amployae benafita	-	{183,840}	(148,291)
Finan	ciel liebilities as Irade and other payables		21,608	<u>19,9</u> 61
Collateral ple	dged			
No collateral	has been pledged for any of the trade and other paya	bia balances.		
Note 7	Borrowings			
			2011	2010
		Note	2011 \$	2010 \$
CURRENT		Note		
CURRENT Lease liability		Note		
		Note		
Lease liability		Note -		
Lease liability		Note -		
Lease liability		Note -	\$	S
Lease liability NON-CURRS Lease liability		Note -	\$ 	\$
Lease liability NON-CURRS Lease liability	INT	Note - -	\$	S
Lease liability NON-CURRS Leese liability Bank Loans	INT	Note - - - - - - -	\$ 	\$ 1.082,557 1.082,557
Lease liability NON-CURRS Leese liability Bank Loans	INT	Note - - - - - - - - 	\$ 	\$ 1.082,557 1.082,557
Lease liability NON-CURRS Lease liability Bank Loans Total borrowin Note 8	NT Igs Reserves	Note - - - - - - -	\$ 	\$ 1.082,557 1.082,557
Lease liability NON-CURRS Lease liability Bank Loans Total borrowin Note 8 General Rese	NT Ngs Reserves arve	-	\$ 1.075,000 1.075,000 1.075,000	\$ 1.082,557 1.082,557
Lease liability NON-CURRS Lease liability Bank Loans Total borrowin Note 8 General Rese The general r	NT Igs Raserves erve eserve represents lunds set aside for luture expansio	-	\$ 1.075,000 1.075,000 1.075,000	\$ 1.082,557 1.082,557
Lease liability NON-CURRS Lease liability Bank Loans Total borrowin Note 8 General Rese The general r Financial As:	NT Ngs Reserves arve eserve represents funds set askie for iuture expansio sta Reserve	- - - - - - - - - - - - - - - - - - -	\$ 1,075,000 1,075,000 1,075,000	\$ 1.082,557 1.082,557 1.082,557
Lease liability NON-CURRS Lease liability Bank Loans Total borrowin Note 8 General Rese The general r Financial As: The financial	NT Ngs Reserves arve eserve represents funds set aside for luture expansio sta Reserve assets reserve represents the cumulative amount of t	- - - - - - - - - - - - - - - - - - -	\$ 1,075,000 1,075,000 1,075,000	\$ 1.082,557 1.082,557 1.082,557
Lease liability NON-CURRS Lease liability Bank Loans Total borrowin Note 8 General Rese The general r Financial As:	NT Ngs Reserves arve eserve represents funds set aside for luture expansio sta Reserve assets reserve represents the cumulative amount of t	- - - - - - - - - - - - - - - - - - -	\$ 1,075,000 1,075,000 1,075,000	\$ 1.082,557 1.082,557 1.082,557
Lease liability NON-CURRS Leese liability Bank Loans Total borrowin Note 8 General Rese The general r Financial As: The financial shares aveila	NT Reserves erve eserve represents funds set aside for future expansio sta Reserve assets reserve represents the cumulative amount of f ble for sale.	- - - - - - - - - - - - - - - - - - -	\$ 1,075,000 1,075,000 1,075,000	\$ 1.082,557 1.082,557 1.082,557
Lease liability NON-CURRS Lease liability Bank Loans Total borrowin Note 8 General Rese The general r Financial As: The financial shares aveilal Note 9	NT Ngs Reserves arve eserve represents funds set aside for luture expansio sta Reserve assets reserve represents the cumulative amount of t	- - - - - - - - - - - - - - - - - - -	\$ 1,075,000 1,075,000 1,075,000	\$ 1.082,557 1.082,557 1.082,557
Lease liability NON-CURRS Leese liability Bank Loans Total borrowin Note 8 General Rese The general r Financial As: The financial shares aveila	NT Reserves erve eserve represents funds set aside for future expansio sta Reserve assets reserve represents the cumulative amount of f ble for sale.	- - - - - - - - - - - - - - - - - - -	\$ 1,075,000 1,075,000 1,075,000	\$ 1.082,557 1.082,557 1.082,557
Lease liability NON-CURRS Lease liability Bank Loans Total borrowin Note 8 General Rese The general r Financial Ass The financial chares aveilad Note 9 No	NT Ngs Reserves arve eserve represents funds set askde for future expansio sta Reserve assets reserve represents the cumulative amount of f ble for sale. Events after the Reporting Period	- - - - - - - - - - - - - - - - - - -	\$ 1,075,000 1,075,000 1,075,000	\$ 1.082,557 1.082,557 1.082,557
Lease liability NON-CURRS Lease liability Bank Loans Total borrowin Note 8 General Rese The general r Financial As: The financial shares aveilal Note 9	NT Reserves erve eserve represents funds set aside for future expansio sta Reserve assets reserve represents the cumulative amount of f ble for sale.	- - - - - - - - - - - - - - - - - - -	\$ 1,075,000 1,075,000 1,075,000	\$ 1.082,557 1.082,557 1.082,557
Lease liability NON-CURRS Lease liability Bank Loans Total borrowin Note 8 General Rese The general r Financial Ass The financial chares aveilad Note 9 No	NT Ngs Reserves arve eserve represents funds set askde for future expansio sta Reserve assets reserve represents the cumulative amount of f ble for sale. Events after the Reporting Period	- - - - - - - - - - - - - - - - - - -	\$ 1,075,000 1,075,000 1,075,000	\$ 1.082,557 1.082,557 1.082,557
Lease liability NON-CURRS Lease liability Bank Loans Total borrowin Note 8 General Rese The general r Financial Ass The financial chares aveilad Note 9 No	NT Ngs Reserves arve eserve represents funds set askde for future expansio sta Reserve assets reserve represents the cumulative amount of f ble for sale. Events after the Reporting Period	- - - - - - - - - - - - - - - - - - -	\$ 	\$ 1.082,557 1.082,557 1.082,557
Lease liability NON-CURRS Lease liability Bank Loans Total borrowin Note 8 General Rese The general r Financial As The financial chares avellal Note 9 No Note 10	NT Ngs Reserves arve eserve represents funds set askde for future expansio sta Reserve assets reserve represents the cumulative amount of f ble for sale. Events after the Reporting Period	- - - - - - - - - - - - - - - - - - -	\$ 	\$ 1.082,557 1.082,557 1.082,557 1.082,557
Lease liability NON-CURRS Lease liability Bank Loans Total borrowin Note 8 General Rese The general r Financial As The financial chares avellal Note 9 No Note 10	INT Ngs Reserves erve eserve represents funds set askie for future expansio sta Reserve assets reserve represents the cumulative amount of t ble for sale. Events after the Reporting Period Cash Flow Information	- - - - - - - - - - - - - - - - - - -	\$ 	\$ 1.082,557 1.082,557 1.082,557 1.082,557
Lease liability NON-CURRS Lease liability Bank Loans Total borrowin Note 8 General Resu The general r Financial As: The financial shares aveilal Note 9 No Note 10 Reconciliation	INT NgS Reserves erve eserve represents funds set askie for luture expansio sta Reaerve assets reserve represents the cumulative amount of t ble for sets. Events after the Reporting Period Cash Flow Information of cash flow from operations with prolit after	- - - - - - - - - - - - - - - - - - -	\$ 	\$ 1.082,557 1.082,557 1.082,557 1.082,557
Lease liability NON-CURRS Lease liability Bank Loans Total borrowin Nole 8 General Res The general r Financial As: The financial shares availab Note 9 No Nole 10 Reconciliatio Income tax Profit after Income	INT NGS Fleserves arve eserve represents funds set aside for luture expansions sta Reserve assets reserve represents the cumulative amount of the ble for sale. Events after the Reporting Period Cash Flow Information the of cash flow from operations with profil after come tax	- - - - - - - - - - - - - - - - - - -	\$ 	\$ 1.082,557 1.082,557 1.082,557 her comprehensi 2010 \$
Lease liability NON-CURRS Lease liability Bank Loans Total borrowin Note 8 General Rese The general Rese The general Rese The financial Ass The financial shares availab Note 9 No Note 10 Reconciliation Income tax Profit after Inc Cash Rows av	INT NGS Reserves arve eserve represents funds set aside for luture expansions sta Reserve assets reserve represents the cumulative amount of the left for sale. Events after the Reporting Period Cash Flow Information on of cash flow from operations with protil after come tax soluted from profit stiributable to operating activities	- - - - - - - - - - - - - - - - - - -	\$ <u>1.075,000</u> <u>1.075,000</u> <u>1.075,000</u> 0n. sses recognised in of \$	\$ 1.082,557 1.082,557 1.082,557 her comprehensi 2010 \$
Lease liability NON-CURRS Lease liability Bank Loans Total borrowin Note 8 General Rese The general Rese The general Rese The general Rese The financial Ass The financial Ass The financial Note 9 No Note 10 Reconciliation Income tax Profit after Inc Cash Rows as Non-cash flow	INT NGS Reserves arve eserve represents funds set aside for luture expansions sta Reserve assets reserve represents the cumulative amount of the ble for sale. Events after the Reporting Period Cash Flow Information on of cash flow from operations with protil after come tax solution from profil stiributable to operating activities	- - - - - - - - - - - - - - - - - - -	\$ 	\$ 1.082,557 1.082,557 1.082,557 her comprehensi 2010 \$

 Depreciation
Net (gain)/loss on disposal of property, plant and equipment

Changes in assets and liabilities, not of the effects of purchase and disposal of subsidiaries

- ---- (Increase)/decrease in Irade and Jerm deblors e

11,370

99,767

14,169

8

_	increase/(decrease) in trade and other payables	820	(8,948)
_	horeese/(decrease) in current lex liabilities	727	(115,948)
—	Mcrease/(decr6856) In employee benefits	35,549	26,785
		167,787	83,503

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: Humans Society Internalional 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 complied 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 Na

Name of Firm

Lowy Wilcock & Co

Date

Ind lighter, non

(Signed)

Aug Willing

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 behall of the committee by:

President	M Kennedy - President
Treasurer	Vena Supe
	V Simpson - Treasurer
Dated this	St 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 Audiling 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 optinion 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.

Opinton

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

- (1) 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
- (iii) complying with Australian Accounting Standards.

Auditor's signature:

Lowy Wilcock & Co

Auditor's address:

Level 6, 72 Pitt Street, SYDNEY NSW 2000

Dated this

And day of leptenter

2011

HUMANE SOCIETY INTÉRNATIONAL 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 $~_{ imes}~~$].

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 K day of K 2011

X M Kennedy - President

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 (rom non-operating activities		-
	1,998,078	2,022,312
EXPENDITURE		
Bank charges	26,562	30,465
Depreciation		
Depreciation expense:		
- office equipment	11,370	14,163
Annual Leave Provision	60,465	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		-
	1,976,825	1,854,660
Profit before income tax Income tax expense	19,253	167,452
Prolit after income tax	19,253	167,452

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



CAMPAIGN REPORT 2011

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



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.

CAMPAIGN REPORT 2011

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.



A MARKAGA AND A MARKAGA AND

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-Bega 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 mantel 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 birdrelease 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!



CAMPAIGN REPORT 2011



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

CAMPAIGN REPORT 2011



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.





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



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

L 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 **99**



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.

ALL DONATIONS TO HUMANE SOCIETY INTERNATIONAL ARE TAX DEDUCTIBLE HUMANE SOCIETY

XMAS 11

HERE IS MY TAX DEDUCTIBLE DONATION OF:

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Please send m to distribute lo	ne (quantity) Counter Packs (50 leaflets plus stand) ocally.
Please send m	ne information on making a bequest to HSI.
	nate by telephone (02) 9973 1728, via our free call 3737, or via our website at www.hsi.org.au/donate
Vour cupport is	vital to the work we do Thank you

I'D LIKE TO MAK	E A REGULAR MONTHLY	DONATION OF	
per month, until stopped by me a	further notice. I understand it any time.		
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