

ENVIRONMENTAL DEFENDER'S OFFICE (ACT) INC.

ANNUAL REPORT

2007 - 2008

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PROTECTING THE ENVIRONMENT THROUGH THE LAW



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**OVERVIEW OF THE EDO (ACT)'S OBJECTIVES**

**Vision:** To empower the community to protect the environment through the law.

**Mission:** To provide a community legal aid service to provide legal services on environmental and related matters to persons whose interests should be pursued as a matter of public interest taking into account their financial means.

**Values:** To address the disempowerment that results from an inability to access legal services in relation to the legal services in relation to matters affecting the natural and built environment and to promote access to the legal system for persons seeking to protect the environment.

**Objectives:** To provide a community legal service specialising in environmental law for the benefit of persons whose interests should be pursued as a matter of public interest taking into account their financial means for the Canberra region.

To ensure that the EDO (ACT) is able to operate effectively and is accountable to its funding bodies

## **THE ROLE OF THE EDO (ACT)**

The EDO (ACT) has three main functions:

- providing legal advice about environmental law to members of the community and community groups interested in preserving the environment;
- undertaking community education about legal issues related to the environment and planning;
- researching and making submissions to government about reforms of laws and policies affecting the environment.

Specific EDO services to the ACT and regional community include:

- providing legal advice and assistance to people and groups seeking to protect the environment;
- presenting environmental law seminars to the community, and presenting individually tailored talks to schools and environmental groups;
- providing environment and planning law information to the general public, such as the EDO's legal fact sheets and our the ACT Environmental Law Handbook;
- researching public interest matters in environmental law; and
- promoting laws and law reform that helps to protect the environment including working with other ACT community legal centres, indigenous groups and environmental groups to make submissions proposing improvements to environment and planning policies and laws.

## **CHAIR'S REPORT**

2007 – 2008 has been a good year for the Environmental Defender's Office. After ongoing instability in the position of Principal Solicitor we were able to appoint Ms Kirsten Miller to the position during the year. The organisation has stabilised and consolidated since then and the committee has subsequently taken decisions to grow the organisation in the short to medium term.

Increasing population and its subsequent pressure on the ACT's unique environment provide plenty of "fodder" for the Environmental Defender's Office. With the continuing development of the ACT, currently most pressing in the Molongolo region, this shows no sign of abating.

The work of the organisation continues to be varied and vital with members of the public bringing matters as disparate as noise abatement and Indigenous heritage in addition to those protecting vegetation and habitat. Work with the ACT government as its plans new developments, reviews legislation and develops new policies can be seen to be preventative or early intervention work and the creation of a new policy position in 2008/09 will afford this area more emphasis.

As mentioned it's been a year of consolidation for the EDO. The committee took the decision at the end of the year to release some of the organisation's hard earned reserves to employ staff and develop resources beyond that paid for directly by grants. Whilst the midst of the global financial crisis may seem a strange time to take this step the pressing issues for the environment in the ACT mean that if the EDO is to fulfill its vision and mission then this is very much the time.

The EDO is all the stronger for having appointed Kirsten Miller to the position of Principal Solicitor during the year. Indeed it is the strength of this anchor provided by Kirsten and long term employee June Weise that persuaded the committee that this is the time to create a new position and make the conscious attempt to become a sustainable organisation.

The key issue for the EDO ACT will continue to be viability until we secure ongoing funding which recognises the need for a credible threat. The Federal Government's formation of a Compact with the "voluntary sector" will provide another venue for this conversation which we have indeed already begun with the Parliamentary Secretary for Social Inclusion and the Voluntary Sector, Senator Ursula Stephens.

Lastly, as always, the work of the EDO relies heavily on the work of volunteers and of paid staff above and beyond that for which they are paid. I would like to record my thanks to the members of the committee; those volunteers that have given their time in the EDO office; and especially to Kirsten and June. Without the generosity of these people the ACT would be a poorer place.

Kasy Chambers  
Chair

## **PRINCIPAL SOLICITOR'S REPORT**

### **Overview**

2007/08 was a year of change, challenge and promise for the environment and the EDO both locally and globally. The time saw an increased interest by the media, government and the community in the immediate challenges facing the environment as a result of factors such as global warming and an ever increasing population.

Locally, the ACT has led the way in introducing a number of important laws which will benefit the environment by encouraging the take up of renewable energy through a feed in tariff scheme and encouraging public participation in environmental debate through protecting the public against SLAPPs (strategic litigation against public participation) suits. However, the recent ACT State of the Environment Report indicated that the ACT's use of most resources has increased. In particular Canberra's per capita use of electricity and gas continues to increase and Canberra's total waste has significantly increased. This highlights the significant challenge regulators and the community face in addressing environmental issues and highlights the need for urgent and continuing action to address these issues. It is not a time for complacency.

A number of proposed major projects in the ACT, such as the proposed development of the Molonglo area and the proposed construction of a gas fired power station, have also highlighted the challenges of balancing good environmental outcomes against population and economic growth pressures.

The current complex environmental challenges faced makes the role of the EDO (ACT) even more important in assisting the community to understand complex environmental laws and enable the community to participate in the environmental decision making process and contribute to informed public debate. The challenges also highlight the need for community groups, government, and industry to work together to ensure that appropriate protection is provided for the environment.

### **Staff**

The EDO (ACT) enjoyed a year of consolidation, with only a short period without a Principal Solicitor in 2007/08. This allowed the EDO to increase its membership and concentrate on developing relationships with the community to enable the organisation to continue to effectively deliver legal advice and education services to the ACT community.

Kirsten Miller was employed as the Principal Solicitor at the end of November 2007 to replace Michael Lalor who resigned after a short stay at the EDO. Kirsten works part-time, three days per week. The EDO has been very lucky to retain the services of June Weise as the administrator who has continued with the EDO for four years. June is also employed part-time for ten hours per week.

While the organisation was unfortunately without the services of a Principal Solicitor for a short period between the resignation of Michael Lalor and the commencement of Kirsten Miller, the hard work and dedication of June Weise and the Management Committee, ensured that the EDO (ACT) continued to fulfill its mission statement of providing pro bono environmental legal advice and education to the ACT Community.

The EDO is grateful for Commonwealth assistance which enabled me to continue my professional development through the attendance at a number of environmental law conferences and seminars. The topics included the law of climate change, the state of environmental assessment and the new ACT planning system. As the legal landscape of environmental law and policy continues to change and evolve it is critical that EDO staff continue to keep abreast of recent changes through professional development activities to ensure that the EDO can provide the best service to the community.

### **Volunteer Assistance**

In addition to the volunteer work undertaken by the management committee, the EDO staff was greatly assisted by a host of generous, energetic and skilled volunteers. In particular I would like to thank Rachael de Hosson, Meredith Junor, Sarah Moulds, Beau Neilson, Alex Readford and Dave Rowe for their work throughout the year. The contribution of volunteers amounts to approximately eleven hours per week on average and enables the EDO to continue to provide an important service to the ACT community even with our extremely limited staffing resources.

### **EDO Services**

The EDO (ACT), like EDOs nationwide, aims to provide quality legal services to members of the community seeking to defend the environment through the law. The EDO does this through providing three main services, legal advice, community legal education and law reform. The EDO receives the majority of its funding to provide these services through the Commonwealth Community Legal Services Program and is grateful to the Commonwealth Government for its continued assistance. The EDO looks forward to the Commonwealth government acting on its commitment to remove the current litigation restriction on Commonwealth funds. This will bring the EDO offices into line with other community legal centres which do not operate under the same restriction. It would enable the EDO (ACT) to assist clients in litigation, subject to other priorities and resourcing issues.

### **Legal Advice and Casework**

The EDO continued to provide legal advice to individuals and community groups who approached EDO for assistance. In 2007/08 the EDO provided 61 pieces of advice and information to the ACT community. This advice and information varied from over the telephone advice to detailed written advices. The advice related to a range of subject matters including noise, air and water pollution, tree and vegetation protection, environmental impacts and a

variety of environmental and planning administrative decisions. In addition the EDO opened seven new case files and closed eight case files during this period.

In particular, a number of major projects proposed in the ACT, including the proposed construction of a gas fired power station near Macarthur, the proposed expansion of the Canberra International Airport, the variation to the Territory Plan to enable the redevelopment of the Australian Heritage Village site at Watson for residential development, and the proposed development of the Molonglo area caused significant community concern. The EDO made recommendations to improve aspects of these projects and was able to assist the community in understanding the legal processes and requirements for such projects.

### **Community Legal Education and Community Development Work**

Aside from casework, we maintained a busy pace in terms of the production of community legal education materials during 2007-2008. The second edition of the ACT Environmental Law Handbook is almost complete thanks to the many hours of dedicated volunteers contributing to this publication. The publication of the Handbook has been funded through the Environment ACT grants scheme. This Handbook is a very useful tool for helping the community to understand and use the law to preserve and protect the environment. The publication of a second edition of the Handbook will ensure that the Handbook remains a relevant and up to date source. It will take into account the many environmental law reforms which have taken place since the first edition of the Handbook was published in 2003, including the recent major planning scheme changes and the changes to water management legislation.

The Handbook is written by authors who volunteer their time and expertise. Thank you very much to all the volunteer contributors. We are also grateful to have Amy Land contribute through her illustrations. I would also like to particularly thank Anne Rawson for the enormous amount of work she has put into editing the Handbook and also to Julia Pitts and Anne for their substantial time and effort in coordinating contributions from busy volunteers. The EDO looks forward to the launch of the second edition of the Handbook in the coming months.

In addition the EDO has also been greatly assisted by Clare Henderson who is updating the numerous fact sheets which the EDO produces. These continue to be an invaluable source of information for members of the community seeking to understand ACT environmental laws.

The EDO has also been very grateful to Andrew Lamont for his assistance in redesigning the EDO website to ensure that we maintain a relevant and useful tool for users. The update and redesign of the website has been made possible through a grant from the ACT Law Society. The update and maintenance of online information is a very critical tool in ensuring that the EDO maximises the number of people it assists. The increasing number of users, evidenced by website usage figures, highlights the importance of this resource and masks somewhat the true figures of clients assisted by EDO (as website usage figures are not included in the reported figures for number of clients assisted).

The EDO has also reintroduced a regular quarterly newsletter to inform members and interested parties of relevant environmental issues in the ACT and around Australia. The feedback from our members indicates that this newsletter has been very useful in keeping members informed of recent developments.

2007/08 also saw significant legislative reform in the planning area with a new planning scheme coming into effect in the ACT in March 2008. This led to a number of requests for assistance as people attempted to understand the new arrangements and the complex transitional arrangements. Thanks to a grant from the ACT Law Society the EDO intends to continue its work in assisting the community in understanding these new planning laws by running a series of presentations and workshops to interested community members and groups.

### **Law Reform and Research**

2007/08 saw a change of Federal Government and the announcement of a number of significant environmental legislative reforms. The Government's announcement of an emissions trading scheme (since renamed the carbon pollution reduction scheme) and the issuing of the Garnaut climate change review interim report in February 2008 were of particular significance. This meant a very busy time for the EDO (ACT) and the broader ANEDO network on law reform issues.

At a local level the EDO (ACT) continued its important role of providing suggestions for reform to ACT environmental laws. In particular the EDO made submissions in relation to a draft Commonwealth/ACT bilateral assessment agreement (which allows the Commonwealth Environment Minister to rely on specified ACT environmental impact assessment processes when assessing actions under the Commonwealth Environment Protection and Biodiversity Act), the Environment Protection Authority's draft water quality environment protection policy and proposed feed in tariff laws. The EDO was very happy that the final ACT feed in laws included measures recommended by the EDO resulting in the passage of the best example of feed in laws in Australia.

### **Conclusion**

The EDO ACT looks forward to an exciting year ahead as we continue to build relationships with members of the ACT community and local environment groups and focus on the significant environmental issues facing the ACT and Australia as a nation. The EDO will continue to seek ways to expand our funding base to enable the EDO to meet the unmet demand for EDO services and to enable the EDO to better serve a larger number of people more effectively. The EDO (ACT) was extremely pleased that 07/08 saw our membership greatly increase and looks forward to increased participation from our members in the coming year.

Kirsten Miller  
Principal Solicitor

## **TREASURER'S REPORT**

One of the fundamental responsibilities of any Management Committee is to monitor the financial performance of the organisation. The EDO(ACT) is continually reviewing and improving its financial reporting strategies and systems to enable the Committee to make pro-active decisions about expenditure of grant and self generated income in line with its strategic directions. Key goals are:

- creating transparency around the true costs of providing services,
- improving the accuracy and timeliness of reporting, and
- providing meaningful information in response to Committee needs.

The 2007/08 financial year generated a deficit of \$7,768- a decrease from a surplus of \$40,808 in the 2006/07 financial year. The surplus in 2006/07 was largely due to the fact that the EDO(ACT) was without a solicitor for a significant period of time, as well as a grant from the Law Society late in the financial year. This year's deficit can be attributed to a conscious decision by the Committee to commit reserves to improving the organisation's resources to better support its staff and volunteers in their commitment to defending the environment in the ACT.

The Australian Government provides the EDO(ACT) with its core funding for activities. More recently, ACT Law Society funding has allowed the Committee and staff to develop further opportunities for the EDO(ACT) to provide environmental services to the ACT community. We look forward to continuing our productive relationship with both the Australian Government and the ACT Law Society.

We move into 2008/09 with a balanced budget reflecting conservative decisions by the Committee. Judicious consideration in the employment of the organisation's equity, built up over many careful years, will continue to be a key concern for the Committee during this period of constrained funding.

The Committee and staff are committed to finding new avenues of funding for the EDO(ACT). Submissions will continue to be made to governments and relevant organisations for increases in recurrent funding for core and dedicated services.

As Treasurer, I would like to express my gratitude for the commitment of our members, volunteers and staff, without whose support for the organisation and dedication to defending the environment, we could not continue to operate.

I would like to take this opportunity to particularly thank June Weise, the EDO(ACT) Office Administrator, for her dedication and guidance in all things financial over the past year.

Lee Nelson  
Treasurer  
November 16 2008



**ENVIRONMENTAL DEFENDERS OFFICE (ACT) INC.**  
**ABN 32 636 009 247**

**FINANCIAL REPORT  
FOR THE YEAR ENDED  
30 JUNE 2008**

**ENVIRONMENTAL DEFENDERS OFFICE (ACT) INC.**  
**ABN 32 636 009 247**

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**ENVIRONMENTAL DEFENDERS OFFICE (ACT) INC.**  
**ABN 32 636 009 247**

**COMMITTEE'S REPORT**

Your committee members submit the financial report of the ENVIRONMENTAL DEFENDERS OFFICE (ACT) INC. for the financial year ended 30 June 2008.

**Committee Members**

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

Kasy Chambers  
Matthew Swainson  
Lee Nelson  
Nancy-Louise Scherger  
Ray Sloan  
Julia Pitts  
Rachel Harris  
Rebecca Smith

**Principal Activities**

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

Environmental Law Centre

**Significant Changes**

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

**Operating Result**

The loss after providing for income tax amounted to \$(7,768.00).

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

**Committee Member:** \_\_\_\_\_  
Kasy Chambers

**Committee Member:** \_\_\_\_\_  
Lee Nelson

**Dated this 28th day of October 2008**

ENVIRONMENTAL DEFENDERS OFFICE (ACT) INC.  
ABN 32 636 009 247

**INCOME STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2008**

|                                                          | Note | 2008<br>\$    | 2007<br>\$    |
|----------------------------------------------------------|------|---------------|---------------|
| Revenue                                                  | 2    | 51,807        | 78,322        |
| Accountancy expenses                                     |      | (175)         | (152)         |
| Depreciation and amortisation expenses                   |      | (575)         | (2,150)       |
| Employee benefits expenses                               |      | (44,713)      | (27,189)      |
| Other expenses                                           |      | (14,112)      | (8,023)       |
| <b>(Loss) Profit for the year</b>                        | 3    | (7,768)       | 40,808        |
| Retained earnings at the beginning of the financial year |      | 64,818        | 24,010        |
| <b>Profit attributable to the association</b>            |      | <u>57,050</u> | <u>64,818</u> |

The accompanying notes form part of these financial statements.

**ENVIRONMENTAL DEFENDERS OFFICE (ACT) INC.**  
**ABN 32 636 009 247**

**BALANCE SHEET**  
**AS AT 30 JUNE 2008**

|                                  | Note | 2008<br>\$     | 2007<br>\$    |
|----------------------------------|------|----------------|---------------|
| <b>ASSETS</b>                    |      |                |               |
| <b>CURRENT ASSETS</b>            |      |                |               |
| Cash and cash equivalents        | 4    | 98,754         | 67,930        |
| Trade and other receivables      | 5    | 1              | 1             |
| <b>TOTAL CURRENT ASSETS</b>      |      | <u>98,755</u>  | <u>67,931</u> |
| <b>NON-CURRENT ASSETS</b>        |      |                |               |
| Property, plant and equipment    | 6    | 2,895          | -             |
| <b>TOTAL NON-CURRENT ASSETS</b>  |      | <u>2,895</u>   | <u>-</u>      |
| <b>TOTAL ASSETS</b>              |      | <u>101,650</u> | <u>67,931</u> |
| <b>LIABILITIES</b>               |      |                |               |
| <b>CURRENT LIABILITIES</b>       |      |                |               |
| Trade and other payables         | 7    | -              | 308           |
| Provisions                       | 8    | 3,600          | 2,805         |
| Other current liabilities        | 9    | 41,000         | -             |
| <b>TOTAL CURRENT LIABILITIES</b> |      | <u>44,600</u>  | <u>3,113</u>  |
| <b>TOTAL LIABILITIES</b>         |      | <u>44,600</u>  | <u>3,113</u>  |
| <b>NET ASSETS</b>                |      | <u>57,050</u>  | <u>64,818</u> |
| <b>EQUITY</b>                    |      |                |               |
| Retained earnings                | 10   | 57,050         | 64,818        |
| <b>TOTAL EQUITY</b>              |      | <u>57,050</u>  | <u>64,818</u> |

The accompanying notes form part of these financial statements.

ENVIRONMENTAL DEFENDERS OFFICE (ACT) INC.  
ABN 32 636 009 247

STATEMENT OF RECOGNISED INCOME AND EXPENSE  
FOR THE YEAR ENDED 30 JUNE 2008

|                                | Note | Retained | Total   |
|--------------------------------|------|----------|---------|
|                                |      | earnings |         |
|                                |      | \$       | \$      |
| Profit attributable to members |      | 40,808   | 40,808  |
| <b>Balance at 30 June 2007</b> |      | 40,808   | 40,808  |
| Profit attributable to members |      | (7,768)  | (7,768) |
| <b>Balance at 30 June 2008</b> |      | 33,040   | 33,040  |

The accompanying notes form part of these financial statements.

**ENVIRONMENTAL DEFENDERS OFFICE (ACT) INC.  
ABN 32 636 009 247**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2008**

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**1 Statement of Significant Accounting Policies**

ENVIRONMENTAL DEFENDERS OFFICE (ACT) INC. as an individual entity. ENVIRONMENTAL DEFENDERS OFFICE (ACT) INC. is an association incorporated in the Australian Capital Territory under the Associations Incorporation Act 1991.

**Basis of Preparation**

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

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

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

**Accounting Policies**

**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.

**ENVIRONMENTAL DEFENDERS OFFICE (ACT) INC.**  
**ABN 32 636 009 247**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2008**

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**Plant and equipment**

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

The carrying amount of plant and equipment is reviewed annually by directors 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.

The cost of fixed assets constructed within 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 charged to the income statement during the financial period in which they are incurred.

**Depreciation**

The depreciable amount of all fixed assets including building and capitalised lease assets is depreciated on a straight-line basis over the asset's useful life to the association 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 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.



**ENVIRONMENTAL DEFENDERS OFFICE (ACT) INC.**  
**ABN 32 636 009 247**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2008**

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**Financial Instruments**

**Recognition and Initial Measurement**

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity 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.

**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.

**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 on the balance sheet.

**ENVIRONMENTAL DEFENDERS OFFICE (ACT) INC.**  
**ABN 32 636 009 247**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2008**

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**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.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at reporting date and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

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).

**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 Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**Comparative Figures**

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

**ENVIRONMENTAL DEFENDERS OFFICE (ACT) INC.**  
**ABN 32 636 009 247**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2008**

|                                               | 2008<br>\$      | 2007<br>\$      |
|-----------------------------------------------|-----------------|-----------------|
| <b>2 Revenue</b>                              |                 |                 |
| <b>Operating activities</b>                   |                 |                 |
| Interest received                             | 3,135           | 1,171           |
| Rendering of services                         | 46,595          | 71,917          |
| Other revenue                                 | <u>2,077</u>    | <u>5,234</u>    |
| Total revenue                                 | <u>51,807</u>   | <u>78,322</u>   |
| <b>3 Profit</b>                               |                 |                 |
| <b>Expenses</b>                               |                 |                 |
| Depreciation of property, plant and equipment | 575             | 2,150           |
| <b>4 Cash and Cash Equivalents</b>            |                 |                 |
| <b>Current</b>                                |                 |                 |
| Petty Cash                                    | 100             | 100             |
| Cheque Account                                | 32,286          | 29,881          |
| Were Cash Trust                               | <u>66,368</u>   | <u>37,949</u>   |
|                                               | <u>98,754</u>   | <u>67,930</u>   |
| <b>5 Trade and Other Receivables</b>          |                 |                 |
| <b>Current</b>                                |                 |                 |
| GST on Acquisitions                           | <u>1</u>        | <u>1</u>        |
| <b>6 Property, Plant and Equipment</b>        |                 |                 |
| <b>PLANT AND EQUIPMENT</b>                    |                 |                 |
| <b>Plant and Equipment:</b>                   |                 |                 |
| At cost                                       | 15,252          | 18,777          |
| Accumulated depreciation                      | <u>(12,357)</u> | <u>(18,777)</u> |
| Total Plant and Equipment                     | <u>2,895</u>    | <u>-</u>        |

**ENVIRONMENTAL DEFENDERS OFFICE (ACT) INC.**  
**ABN 32 636 009 247**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2008**

|                                                          | 2008<br>\$ | 2007<br>\$ |
|----------------------------------------------------------|------------|------------|
| <b>7 Trade and Other Payables</b>                        |            |            |
| <b>Current</b>                                           |            |            |
| Other creditors and accruals                             | -          | 308        |
| <b>8 Provisions</b>                                      |            |            |
| Provision for employee entitlements                      | 3,600      | 2,805      |
| <b>Total provisions</b>                                  | 3,600      | 2,805      |
| <b>Analysis of Total Provisions</b>                      |            |            |
| Current                                                  | 3,600      | 2,805      |
|                                                          | 3,600      | 2,805      |
| <b>9 Other Liabilities</b>                               |            |            |
| <b>Current</b>                                           |            |            |
| Grant in Advance                                         | 41,000     | -          |
| <b>10 Retained Earnings</b>                              |            |            |
| Retained earnings at the beginning of the financial year | 64,818     | 24,010     |
| (Net loss) Net profit attributable to the association    | (7,768)    | 40,808     |
| Retained earnings at the end of the financial year       | 57,050     | 64,818     |

**11 Financial Risk Management**

**Financial Risk Management Policies**

The association's financial instruments consists primarily of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, loans to and from subsidiaries, bills and leases.

The chairman's overall risk management strategy seeks to assist the association in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

Risk management policies are approved and reviewed by the committee on a regular basis. These included the credit risk policies and future cash flow requirements.

The association does not have any derivative instruments at 30 June 2008.

ENVIRONMENTAL DEFENDERS OFFICE (ACT) INC.  
ABN 32 636 009 247

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2008

|  | 2008 | 2007 |
|--|------|------|
|  | \$   | \$   |

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**12 Association Details**

The registered office of the association is:

First Floor, Legal Aid Building, 4 Mort Street, Canberra ACT 2601

The principal place of business is:

First Floor, Legal Aid Building, 4 Mort Street, Canberra ACT 2601

**ENVIRONMENTAL DEFENDERS OFFICE (ACT) INC.**  
**ABN 32 636 009 247**

**STATEMENT BY MEMBERS OF THE COMMITTEE**

In the opinion of the committee the financial report as set out on pages 1 to 11:

1. Presents fairly the financial position of ENVIRONMENTAL DEFENDERS OFFICE (ACT) INC. as at 30 June 2008 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that ENVIRONMENTAL DEFENDERS OFFICE (ACT) INC. will be able to pay its debts as and when they fall due.

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

**President:** \_\_\_\_\_

**Treasurer:** \_\_\_\_\_

**Dated this            day of**

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF ENVIRONMENTAL DEFENDERS OFFICE (ACT) INC.  
ABN 32 636 009 247**

**Report on the Financial Report**

We have audited the accompanying financial report of ENVIRONMENTAL DEFENDERS OFFICE (ACT) INC. (the association) which comprises the balance sheet as at 30 June 2008, and the income statement, statement of recognised income and expenditure for the year ended on that date, a summary of significant accounting policies and other explanatory notes 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 and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporations Act Australian Capital Territory 1991. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditors' Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditors' 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 auditors consider 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 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 committee, 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.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF ENVIRONMENTAL DEFENDERS OFFICE (ACT) INC.  
ABN 32 636 009 247**

**Auditors' Opinion**

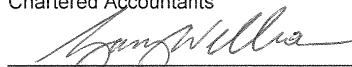
In our opinion:

The financial report of ENVIRONMENTAL DEFENDERS OFFICE (ACT) INC. is in accordance with the Associations Incorporation Act Australian Capital Territory 1991 including:

- (i) giving a true and fair view of the Association's financial position as at 30 June 2008 and of their performance for the year ended on that date; and
- (ii) complying with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporations Act Australian Capital Territory 1991.

**Name of Firm:** Rosenfeld Kant & Co  
Chartered Accountants

**Name of Partner:**

  
\_\_\_\_\_  
Gary Williams

**Address:** Level 24, 101 Grafton Street, Bondi Junction

**Dated this** 28th **day of** October 2008



**ENVIRONMENTAL DEFENDERS OFFICE (ACT) INC.**  
**ABN 32 636 009 247**

**CERTIFICATE BY MEMBERS OF THE COMMITTEE**

I, of and I, of certify that:

- (a) We are members of the committee of ENVIRONMENTAL DEFENDERS OFFICE (ACT) INC..
- (b) We attended the annual general meeting of the association held on .
- (c) We are authorised by the attached resolution of the committee to sign this certificate.
- (d) This annual statement was submitted to the members of the association at its annual general meeting.

**Committee Member:** \_\_\_\_\_

**Dated this            day of**

**ENVIRONMENTAL DEFENDERS OFFICE (ACT) INC.**  
**ABN 32 636 009 247**

**INCOME AND EXPENDITURE STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2008**

|                                                           | 2008<br>\$     | 2007<br>\$    |
|-----------------------------------------------------------|----------------|---------------|
| <b>REVENUE</b>                                            |                |               |
| Grant Income                                              | 46,595         | 71,917        |
| Interest received                                         | 3,135          | 1,171         |
|                                                           | <u>49,730</u>  | <u>73,088</u> |
| <b>OTHER REVENUE</b>                                      |                |               |
| Membership                                                | 680            | 496           |
| Fundraising and Donations                                 | 1,120          | 3,668         |
| Publications                                              | 277            | 15            |
| Gross profit from rental operations                       | -              | 1,055         |
|                                                           | <u>2,077</u>   | <u>5,234</u>  |
|                                                           | <u>51,807</u>  | <u>78,322</u> |
| <b>EXPENDITURE</b>                                        |                |               |
| Accounting and Finance Fees                               | 175            | 152           |
| Communications                                            | 1,148          | 956           |
| Depreciation                                              | 575            | 2,150         |
| Insurance                                                 | 843            | 814           |
| Office Overheads                                          | 2,317          | 977           |
| Programming and Planning                                  | 2,746          | 291           |
| Rent                                                      | 2,500          | 2,500         |
| Repairs and maintenance                                   | 379            | 642           |
| Salaries                                                  | 40,792         | 24,839        |
| Salary On-costs                                           | 556            | 631           |
| Salaries - Other Expenses                                 | 30             | -             |
| Staff Training                                            | 397            | 360           |
| Staff Recruitment                                         | -              | 681           |
| Subscriptions, Library & Resources                        | 2,616          | 295           |
| Superannuation contributions                              | 3,524          | 1,990         |
| Travel                                                    | 977            | 236           |
|                                                           | <u>59,575</u>  | <u>37,514</u> |
| (Loss) Profit before income tax                           | <u>(7,768)</u> | <u>40,808</u> |
| <b>(Loss) Profit for the year</b>                         | <u>(7,768)</u> | <u>40,808</u> |
| Retained earnings at the beginning of the financial year  | 64,818         | 24,010        |
| <b>Retained earnings at the end of the financial year</b> | <u>57,050</u>  | <u>64,818</u> |

The accompanying notes form part of these financial statements.

**ENVIRONMENTAL DEFENDERS OFFICE (ACT) INC.**  
**ABN 32 636 009 247**

**PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2008**

|                                        | 2008<br>\$     | 2007<br>\$    |
|----------------------------------------|----------------|---------------|
| <b>INCOME</b>                          |                |               |
| Grant Income                           | 46,595         | 71,917        |
| Interest received                      | 3,135          | 1,171         |
|                                        | <u>49,730</u>  | <u>73,088</u> |
| <b>OTHER INCOME</b>                    |                |               |
| Membership                             | 680            | 496           |
| Fundraising and Donations              | 1,120          | 3,668         |
| Publications                           | 277            | 15            |
| Gross profit from rental operations    | -              | 1,055         |
|                                        | <u>2,077</u>   | <u>5,234</u>  |
|                                        | <u>51,807</u>  | <u>78,322</u> |
| <b>EXPENSES</b>                        |                |               |
| Accounting and Finance Fees            | 175            | 152           |
| Communications                         | 1,148          | 956           |
| Depreciation                           | 575            | 2,150         |
| Insurance                              | 843            | 814           |
| Office Overheads                       | 2,317          | 977           |
| Programming and Planning               | 2,746          | 291           |
| Rent                                   | 2,500          | 2,500         |
| Repairs and maintenance                | 379            | 642           |
| Salaries                               | 40,792         | 24,839        |
| Salary On-costs                        | 556            | 631           |
| Salaries - Other Expenses              | 30             | -             |
| Staff Training                         | 397            | 360           |
| Staff Recruitment                      | -              | 681           |
| Subscriptions, Library & Resources     | 2,616          | 295           |
| Superannuation contributions           | 3,524          | 1,990         |
| Travel                                 | 977            | 236           |
|                                        | <u>59,575</u>  | <u>37,514</u> |
| <b>(Loss) Profit before income tax</b> | <u>(7,768)</u> | <u>40,808</u> |

The accompanying notes form part of these financial statements.

Environmental Defender's Office ACT

# Balance Sheet

June 2008

|                                         | This Year         | Last Year        | \$ Difference    | % Difference    |
|-----------------------------------------|-------------------|------------------|------------------|-----------------|
| <b>Assets</b>                           |                   |                  |                  |                 |
| <b>Current Assets</b>                   |                   |                  |                  |                 |
| Cheque Account                          | 32,285.96         | 29,881.27        | 2,404.69         | 8.00%           |
| Petty Cash                              | 100.00            | 100.00           | 0.00             | 0.00%           |
| Were Cash Trust                         | 66,367.85         | 37,948.80        | 28,419.05        | 74.90%          |
| <b>Total Current Assets</b>             | <b>98,753.81</b>  | <b>67,930.07</b> | <b>30,823.74</b> | <b>45.40%</b>   |
| <b>Fixed Assets</b>                     |                   |                  |                  |                 |
| Office Equipment at Cost                | 0.00              | 6,994.80         | -6,994.80        | -100.00%        |
| Office Equipment Accum Dep'n            | 0.00              | -6,994.80        | 6,994.80         | 100.00%         |
| <b>Total Office Equipment</b>           | <b>0.00</b>       | <b>0.00</b>      | <b>0.00</b>      | <b>NA</b>       |
| Computer Equipment Original Co          | 15,252.31         | 11,782.31        | 3,470.00         | 29.50%          |
| Computer Equipment Accum Dep'n          | -12,357.39        | -11,782.31       | -575.08          | -4.90%          |
| <b>Total Computer Equipment</b>         | <b>2,894.92</b>   | <b>0.00</b>      | <b>2,894.92</b>  | <b>NA</b>       |
| <b>Total Fixed Assets</b>               | <b>2,894.92</b>   | <b>0.00</b>      | <b>2,894.92</b>  | <b>NA</b>       |
| <b>Total Assets</b>                     | <b>101,648.73</b> | <b>67,930.07</b> | <b>33,718.66</b> | <b>49.60%</b>   |
| <b>Liabilities</b>                      |                   |                  |                  |                 |
| <b>Current Liabilities</b>              |                   |                  |                  |                 |
| Accruals                                | 0.00              | 308.00           | -308.00          | -100.00%        |
| Liability Rec Leave -Solicitor          | 1,603.47          | 1,648.06         | -44.59           | -2.70%          |
| Liability Rec leave Admin               | 1,996.70          | 1,157.04         | 839.66           | 72.60%          |
| <b>Total Provision For Annual Leave</b> | <b>3,600.17</b>   | <b>2,805.10</b>  | <b>795.07</b>    | <b>28.30%</b>   |
| Grant in Advance                        | **** 41,000.00    | 0.00             | 41,000.00        | NA              |
| PAYG EDO Staff                          | 0.88              | 0.29             | 0.59             | 203.40%         |
| GST Liability                           | -2.30             | -1.59            | -0.71            | -44.70%         |
| <b>Total Current Liabilities</b>        | <b>44,598.75</b>  | <b>3,111.80</b>  | <b>41,486.95</b> | <b>1333.20%</b> |
| <b>Total Liabilities</b>                | <b>44,598.75</b>  | <b>3,111.80</b>  | <b>41,486.95</b> | <b>1333.20%</b> |
| <b>Net Assets</b>                       | <b>57,049.98</b>  | <b>64,818.27</b> | <b>-7,768.29</b> | <b>-12.00%</b>  |
| <b>Equity</b>                           |                   |                  |                  |                 |
| Retained Earnings                       | 64,526.33         | 23,718.83        | 40,807.50        | 172.00%         |
| Current Year Earnings                   | -7,768.29         | 40,807.50        | -48,575.79       | -119.00%        |
| Historical Balancing                    | 291.94            | 291.94           | 0.00             | 0.00%           |
| <b>Total Equity</b>                     | <b>57,049.98</b>  | <b>64,818.27</b> | <b>-7,768.29</b> | <b>-12.00%</b>  |

Note \*\*\*\*

Grant in Advance consists of

|           |                               |
|-----------|-------------------------------|
| 10,000.00 | ACT Law Society               |
| 11,000.00 | ACT Government                |
| 20,000.00 | Attorney General's Department |