

**GREENPEACE AUSTRALIA
PACIFIC LIMITED**

ABN 61 002 643 852

GENERAL PURPOSE (RDR) FINANCIAL REPORT
For the year ended 31 December 2015

Contents

Directors' report..... 2

Auditor's independence declaration..... 10

Statement of profit or loss and other comprehensive income..... 11

Statement of financial position..... 12

Statement of changes in accumulated funds..... 13

Statement of cash flows..... 14

Notes to the financial statements..... 15

Directors' declaration..... 28

Independent auditor's report..... 30

Directors' report

The directors present their report together with the financial report of Greenpeace Australia Pacific Limited (the Company) for the financial year ended 31 December 2015 and the auditor's report thereon.

DIRECTORS

The directors of the Company at any time during or since the end of the financial year are:

- Name:** Anita Mitchell
(Chair Finance and Audit Committee)
- Experience:** Environmental Scientist with over 20 years of experience in environment management covering the energy, water, waste, construction and property sectors. General Manager, Sustainability for the Barangaroo South project for Lend Lease.
- Appointed:** 10 June 2010
- Directorship of other corporations:** Member of the Management Committee of the Total Environment Centre
- Name:** Dr. Lena Aahlby
(Chair of Board)
- Experience:** Director and Founder of StrategyForChange Consultancy, former Director ActionAid (Sweden), former Campaign Director for ActionAid (Australia), former International Programme Director and International Issues Director for Greenpeace International.
- Appointed:** 15 June 2011
- Directorship of other corporations:** Management committee for Climate Justice Program (retired)
- Name:** Blair Palese
- Experience:** Former Head of PR The Body Shop (UK); former Communications Director (Greenpeace International & USA); former Marketing and Communications Manager (Climate Friendly); former Project Manager and Consultant; former Editor Greenpages; Current Executive Director of 350.Org; former Communications Director, Antarctic Ocean Alliance.
- Appointed:** 22 February 2013
- Directorship of other corporations:** Non Executive Director, The Sunrise Project Ltd (retired); Non Executive Director, Green Cross Australia (retired).
- Name:** Prof. Jim Falk
- Experience:** PhD Theoretical Physics, former Chair GPAP Finance & Audit Committee & Board, Councillor Aust. Conservation Foundation, Deputy Vice-Chancellor (2000-2003) Victoria University, Director of the Australia Centre for Science, Innovation and Society (Uni Melb. 20014-2010), Professional Fellow, Melbourne Sustainable Society Institute, Emeritus Professor, University of Wollongong, author.
- Appointed:** 22 February 2013
- Directorship of other corporations:** Nil

Directors' report (continued)

DIRECTORS (continued)

Name: Alexander White
Experience: Former Development and Marketing Manager of Inclusion Melbourne; Campaign and Marketing roles with leading trade unions; National Union Partnership Advisor for Slater & Gordon Lawyers; and online columnist The Guardian; Secretary and director of UnionsACT (Trades & Labour Council of the ACT)

Appointed: 5 June 2013
Directorship of other corporations: Director of Safe Work Council ACT (current)
 Director of Trades Hall Building Limited (current)
 Secretary of Fair Go for Canberra Inc (current)
 Director of ACT Council of Social Services (current)
 Deputy chair of the ACT Public Service Joint Council (consultative and representative standing committee of Government, not a decision-making body)
 Member of the Committee of Management The Wilderness Society (Victoria) (retired 2014)

Name: Tim Hollo
Experience: Former Communications Director for the Australian Greens; former Media Adviser to Christine Milne, former Climate Change Communications Officer at Greenpeace Australia Pacific, Executive Director of Green Music Australia.

Appointed: 5 June 2013
Directorship of other corporations: Executive Director, Green Institute (current)
 Director, Green Music Australia (current)
 Director, Young Music Society (ACT)
 Committee member Lyneham Community Association.

Name: Sonia Caton
Experience: A solicitor in community legal centres and private practice. A principal policy officer in government and a decision maker on Commonwealth Tribunals Advisory Panel member of Green Cross Australia.

Appointed: 29 May 2014
Directorship of other corporations: Refugee Council of Australia, International Education Services Ltd.
Retired: 2 February 2015

COMPANY SECRETARY

Mr Terry O'Donnell, B.Com, AGIA was appointed to the position of Company Secretary in December 2009.

Directors' report (continued)

DIRECTORS' MEETINGS

The number of directors' meetings (including meetings of committees of directors) and number of meetings attended by each of the directors of the Company during the financial year are:

Director	Directors' meeting		Finance Committee Meetings		Board and GA Nomination Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Anita Mitchell	7	6	5	5	-	-
Dr. Lena Aahlby	7	7	5	5	5	5
Blair Palese	7	6	1	-	-	-
Prof. Jim Falk	7	6	1	-	-	-
Alexander White	7	5	1	-	-	-
Tim Hollo	7	6	1	1	-	-

The Board is an oversight and governing body that ensures the Company obtains and appropriately uses resources required to carry out its mission and objects and sustain it into the future. The Board oversees the use of donations received through the Public Fund ensuring they are applied for a charitable purpose. All members of the Board are directors.

The Finance and Audit Committee is an advisory body to the Board to assist the Board in the effective discharge of its responsibilities. The areas of focus are Financial reporting; Corporate risk and internal controls; and Corporate Governance. Membership of the Committee is by appointment by the Board and a maximum of two members external to the Board may be appointed as members of the Committee.

The Board and General Assembly Nomination Committee assists the Board by ensuring that nominee members and directors put before the GA for election are of suitable number in terms of the desired size of the GA and/or Board; and suitable composition in terms of qualifications, experience, character and motivation. Membership of the Committee consists of at least 3 members recruited from the Board and General Assembly.

COMPANY STRATEGY, OBJECTIVES AND PRINCIPAL ACTIVITIES

Short and long term objectives

The Company's mission is to secure the ability of the earth to nurture and sustain life in all its diversity. Accordingly, the Company works on the most urgent environmental issues of our time; with priorities including climate change, the depletion of marine wildlife, tropical deforestation, and threats to iconic regions including the Arctic and the Great Barrier Reef.

Directors' report (continued)

COMPANY STRATEGY, OBJECTIVES AND PRINCIPAL ACTIVITIES (continued)

Short and long term objectives (continued)

The Companies' objectives are:

- Reducing carbon emissions and preventing lock-in of high emission technologies; and making the switch to renewable energy solutions.
- Reforming the fishing industry in the Indian and Pacific oceans in order to end destructive and overfishing, as well as addressing other threats to our marine wildlife such as dangerous sea mining, port construction and dredging and whaling.
- Supporting the protection of rainforests in the Asia Pacific region by campaigning to end the use of commodities from recently deforested land in supply chains.
- Supporting the introduction of Container Deposit schemes in Australia to reduce the amount of beverage waste that ends up discarded as litter in our environment or as landfill.
- An end to plans to drill for oil in the Arctic and the restriction of the Arctic for sustainable activities.

On a shorter term basis these objectives are broken down into more specific projects, the success of which can then be evaluated.

Strategy for achieving those objectives

The Company is a fully independent, globally networked, campaigning organisation. We use research based investigation and non-violent, creative confrontation to expose global environmental problems, and to bring about the solutions which are essential to a green and peaceful future.

In developing our education and campaign strategies and policies we take great care to reflect our fundamental respect for democratic principles, and to seek solutions that will promote global social equity and fairness.

Where possible and appropriate we work closely with other organisations and with communities in order to maximise effectiveness and impact.

The Company situates its campaigns in the global context, and supports national, regional and international campaign work that is agreed through the international Greenpeace network.

Principal activities during 2015 and how those activities assisted in achieving objectives

The principal activities of the Company during the course of the financial year were education of the public and independent campaigning to protect, preserve and enhance the natural environment.

There were no significant changes in the nature of the activities of the Company during the year, although campaign priorities were adjusted in accordance with changing circumstances.

Directors' report (continued)

COMPANY STRATEGY, OBJECTIVES AND PRINCIPAL ACTIVITIES (continued)

Reflecting the Companies' objectives, in 2015, our chief work included seeking:

- Greater environmental protection for the Great Barrier Reef, including specifically preventing proposed new industrial developments on the Reef.
- Reduction of 'exported emissions' through Australia's international coal trade.
- Reform of the West and Central Pacific tuna fisheries.
- Improved policy responses to climate impacts in the West and Central Pacific.
- Improved public and consumer information in relation to sustainable seafood with a particular focus on prawns.
- A shift in suppliers from using unsustainable to more sustainable pulp, paper and palm oil supplies.
- Supporting the introduction of container deposit recycling schemes in Australia to reduce the amount of beverage waste that ends up discarded as litter in our environment or as landfill.
- Prevention of drilling for oil in the Arctic
- Government and business action in relation to reducing rainforest deforestation and destruction of peatlands in Indonesia, in particular in response to the devastating fires that struck Indonesia in the fourth quarter of 2015.

All funds earned by the Company are wholly utilised for the above activities. No benefits accrue to the Company's members.

Our key tactics of public communication and consumer information, investigation and analysis, political and corporate lobbying, public outreach, traditional and social media communication, consumer awareness raising, public rallies and non-violent creative confrontation, have been used across our campaign areas.

Measurement of performance including any key performance indicators

Performance measurement of public campaigning is notoriously difficult because correlation does not equal causation; nevertheless measures that are applied include: media-monitoring, digital media metrics, social media monitoring and metrics, supporter surveying, internal qualitative evaluation, global benchmarking within the Greenpeace network and external peer assessment.

Who was helped by these activities?

Our work benefits all life on earth. More proximately, among those prominently assisted by our activities over the past year include:

- All those who depend on the existence of the Great Barrier Reef for their livelihoods, as well as the natural environment of the Reef itself.
- Local communities who depend on the tuna stocks of the West and Central Pacific for their livelihoods.
- Pacific island nations threatened by rising sea levels and ocean acidification, as well as the ocean environment itself.
- Local communities who depend on healthy and vibrant forests in Indonesia for their livelihoods, as well as the natural forest environment itself.
- Local communities who depend on the Arctic for their livelihoods, as well as the Arctic environment.

Directors' report (continued)

GOVERNANCE

We are extremely grateful for the trust bestowed on us by our donors to protect and conserve our natural environment and commit to high standards of accountability and transparency. In support of this commitment the Company is a signatory to the International NGO Accountability Charter and meets its reporting requirements through collective reporting through Greenpeace International.

The Company measures its performance according to progress against objectives and goals outlined in the Strategic Plan: 2015 to 2017 in the areas of campaigns, communications, human resources, finance, governance and fundraising. This information is monitored by the senior executive monthly and reviewed by the Board at least quarterly.

The governance objectives detailed in the Strategic plan were implemented as follows:

- Support the CEO in the implementation of Greenpeace Australia Pacific's 3 year plan

The Chief Executive Officer's performance was monitored regularly throughout the year which included the conduct of a formal review.

Enhancing reporting by management of performance against strategic and operational objectives was a major focus of the Board in 2015. The voting assembly were also consulted to ensure relevant information was available to this body to allow it fully execute its duties.

The Board approved minor deviations to the Strategic Plan. These changes were subsequently agreed with Greenpeace International.

- Strengthen GPAP's governance

The second part of an AICD training on Board governance for the Board and for senior managers was conducted in early 2015.

An internal independent evaluation of the Board was conducted with a detailed communication regarding areas of focus and outcomes issued to the voting membership. Key outcomes were: enhancing the KPI's and metrics used to monitor impact of strategic initiatives; improve communication and engagement with stakeholders surrounding strategic planning and review processes; review delegations between the Board and the CEO; and ensure appropriate succession planning is in place for directors and CEO;

To assist with succession planning a Board and GA Nomination committee was re-constituted throughout the year to assist in the recruitment of new members and directors at the 2016 AGM.

- Engage in, and contribute to, global Greenpeace

Early in 2015, the Company took on leadership of the global Reef campaign. The Board have actively engaged with the Greenpeace International to improve alignment between national offices and international of impact reporting for global campaigns.

The Board continued to assess the involvement of the senior executive in international committees supporting the implementation of Greenpeace's new operating model.

Directors' report (continued)

OPERATING AND FINANCIAL REVIEW AND PERFORMANCE MEASUREMENT

Trading results

The Company returned a surplus of \$3,129,404 in 2015 (2014: \$3,146,955).

This latest surplus, like the two immediately prior, is driven almost entirely by income from sources that are highly volatile in their predictability. Such income is extremely helpful in enabling the implementation of strategic initiatives. In 2015 the Company became the grateful beneficiary of bequest receipts amounting to \$3,169,837 (\$763,221 in 2014).

The surplus has significantly strengthened the Company's financial position increasing reserves to \$11,137,778 in 2015 up from \$8,008,374 in 2014. Reserves and liquidity are monitored monthly and are subject to a risk assessment as part of the annual budget setting and quarterly review processes. Current reserves are in excess of what is required under our Reserves Policy.

In 2015 total regular donations declined 2.6% (increase of 0.6% 2014) whilst overall Fundraising Revenue saw a modest increase to \$19,605,579 (2014: \$19,430,293).

As anticipated with an increase in investment, Fundraising costs in 2015 grew to 34.1% (2014: 28.7%) of total proceeds and also increased to 37.9% (2014: 32.2%) of total expenditure.

Expenditure on Campaigns led by the Company grew in real terms over 2014 to 2015 but the overall proportion spent on Campaign and Campaign Support fell to 53.0% (2014: 57.0%) of total expenditure. This decrease reflects a decrease in contribution to International in the 2015 year.

Administration Costs (referred to as Organisation Support) fell to 8.5% (2014: 10.7%) of total expenditure after reflecting the impact of structural change implemented in 2014.

A repayment of \$500,000 was made against the long term loan with Greenpeace International. The balance outstanding on the loan in 2015 stands at \$500,000 (2014: \$1,000,000). A final repayment of \$500,000 is due in 2016.

Measures to financially reposition the Company to ensure its long term viability that commenced in 2012 continued in 2015. Most visible in 2015 was the increased investment in campaign capability. 2016 will see a further increase in investment in Fundraising and Campaigns which is necessary to diversify the program and ensure the appropriate levels of resources are available in the longer term to continue to fund robust campaign capability with global reach.

Expenditure projections are pegged to income expectations and reserves are anticipated to remain above the requirement stipulated in the Reserves Policy.

Our independence is paramount. We do not accept funding from governments or corporations. We rely on the goodwill and generosity of individual members of the public.

We encourage donors to make a regular donation, giving the organisation the security to make long-term commitments to our campaigns, enabling us to plan ahead and respond quickly, while remaining flexible and independent. Regular donations also minimise administration costs.

The Company maintains endorsement to receive deductible gifts and is exempt from income tax, accordingly no provision for income tax is required.

Directors' report (continued)

MEMBERSHIP

The Company is a company limited by guarantee and without share capital. If the Company is wound up, the articles of association state that each member is required to contribute a maximum of \$5 towards meeting any outstanding obligations of the Company. The numbers of members as at 31 December 2015 were 50 (2014: 67).

AUDITOR'S INDEPENDENCE DECLARATION

The directors received an independence declaration from the auditor of Greenpeace Australia Pacific Limited. A copy has been included on page 8 of the report.

This report is made in accordance with a resolution of the directors.



Dr. Lena Aahlby
Director

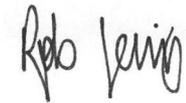
Sydney, 22 March 2016

Auditor's Independence Declaration to the Directors of Greenpeace Australia Pacific Limited

In relation to our audit of the financial report of Greenpeace Australia Pacific Limited for the financial year ended 31 December 2015, and in accordance with the requirements of Subdivision 60-C of the *Australian Charities and Not-for profits Commission Act 2012*, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Australian Charities and Not-for profits Commission Act 2012* or any applicable code of professional conduct.



Ernst & Young



Rob Lewis
Partner
22 March 2016

Statement of profit or loss and other comprehensive income

For the year ended 31 December 2015

	Notes	2015 \$	2014 \$
Income	4	19,605,579	19,430,293
Other income	5	864,878	807,610
Fundraising expenditure		(6,678,012)	(5,579,623)
Campaigning expenditure		(9,415,259)	(9,846,475)
Organisational support		(1,504,382)	(1,852,432)
Result from operating activities		2,872,804	2,959,373
Finance income	6	257,761	228,912
Finance cost	6	(1,161)	(41,330)
Net finance income		256,600	187,582
Surplus before income tax		3,129,404	3,146,955
Income tax expense		-	-
Surplus for the year		3,129,404	3,146,955
Other comprehensive income		-	-
Total comprehensive income for the year		3,129,404	3,146,955

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Statement of financial position

As at 31 December 2015

	Notes	2015 \$	2014 \$
Assets			
Current assets			
Cash and short term deposits	7	12,588,827	10,280,846
Receivables	8	499,760	206,077
Other assets	9	109,178	88,464
Total current assets		13,197,765	10,575,387
Non-current assets			
Property, plant and equipment	10	270,688	343,365
Total non-current assets		270,688	343,365
Total assets		13,468,453	10,918,752
Liabilities			
Current liabilities			
Trade and other payables	11	695,421	722,506
Employee benefits	13	793,723	774,164
Deferred revenue		124,636	158,923
Loans and borrowings	12	500,000	500,000
Total current liabilities		2,113,780	2,155,593
Non-current liabilities			
Trade and other payables	11	72,527	115,565
Loans and borrowings	12	-	500,000
Employee benefits	13	144,368	139,220
Total non-current liabilities		216,895	754,785
Total liabilities		2,330,675	2,910,378
Net assets		11,137,778	8,008,374
Accumulated funds			
Reserve	2(n)	1,469,562	1,469,562
Accumulated surplus		9,668,216	6,538,812
Total accumulated funds		11,137,778	8,008,374

The above statement of financial position should be read in conjunction with the accompanying notes.

Statement of changes in accumulated funds

For the year ended 31 December 2015

	Accumulated surplus	Bequest reserve (Note 2n)	Total
	\$	\$	\$
Balance at 1 January 2014	3,391,857	1,469,562	4,861,419
Surplus for the year	3,146,955	-	3,146,955
Other comprehensive income	-	-	-
Total comprehensive income for the year	3,146,955	-	3,146,955
Balance at 31 December 2014	6,538,812	1,469,562	8,008,374
Balance at 1 January 2015	6,538,812	1,469,562	8,008,374
Surplus for the year	3,129,404	-	3,129,404
Other comprehensive income	-	-	-
Total comprehensive income for the year	3,129,404	-	3,129,404
Balance at 31 December 2015	9,668,216	1,469,562	11,137,778

The above statement of changes in accumulated funds should be read in conjunction with the accompanying notes.

Statement of cash flows

For the year ended 31 December 2015

	Notes	2015 \$	2014 \$
Operating activities			
Cash receipts from donations and fundraising activities		19,629,400	19,681,424
Cash receipts from related parties contributions		462,973	678,428
Cash paid to suppliers and employees		(17,488,223)	(17,319,725)
Interest received		257,761	228,912
Net cash flows from operating activities		2,861,911	3,269,039
Investing activities			
Proceeds from sale of property, plant and equipment		19,752	1,619,440
Purchase of property, plant and equipment	10	(73,682)	(107,120)
Net cash flows (used in)/from investing activities		(53,930)	1,512,320
Financing activities			
Loans from related parties		(500,000)	(984,182)
Net cash flows used in financing activities		(500,000)	(984,182)
Net increase in cash and cash equivalents		2,307,981	3,797,177
Cash and cash equivalents at 1 January		10,280,846	6,483,669
Cash and cash equivalents at 31 December	7	12,588,827	10,280,846

The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the financial statements

For the year ended 31 December 2015

1 Corporate information

The financial report of Greenpeace Australia Pacific Limited (the 'Company') for the year ended 31 December 2015 was authorized for issue in accordance with a resolution of the directors on 22 March 2016.

The Company is a company limited by guarantee and without share capital and is a not-for-profit entity. If the Company is wound up, the articles of the association state that each member is required to contribute an amount of \$5 towards meeting any outstanding obligations of the Company.

The registered office and the principal place of business of the Company is Level 2, 33 Mountain Street, Ultimo, NSW 2007.

The Company is primarily involved in promoting awareness among the public by independent campaigning to ensure the ability of the earth to nurture life in all its diversity.

2 Summary of significant accounting policies

(a) Basis of preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report has been prepared on a historical cost basis and is presented in Australian dollars.

(b) Statement of compliance

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Australian Accounting Standards – Reduced Disclosure Requirements and other authoritative pronouncements of the Australian Accounting Standards Board. The Company is a not-for-profit entity which is not publicly accountable. Therefore, the financial statements for the Company are tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements (AASB – RDRs).

(c) Changes in accounting policy, accounting standards and interpretations

The accounting policies adopted are consistent with those of the previous financial period.

The Company applied for the first time certain standards and amendments which are effective for annual periods beginning on or after 1 January 2015. The application of these standards had no impact in the financial statements of the Company. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

(d) Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period
- Cash or a cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

Notes to the financial statements (continued)

For the year ended 31 December 2015

2 Summary of significant accounting policies (continued)

(d) Current versus non-current classification (continued)

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period
- There is no unconditional right to defer the settlement of the liability for at least twelve months

The Company classifies all other liabilities as non-current.

(e) Foreign currency translation

Both the functional and presentation currency of Greenpeace Australia Pacific Limited is Australian dollars (\$).

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

(f) Cash and short term deposits

Cash and short term deposits in the statement of financial position comprise cash at bank and on hand and call deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at bank and on hand and short term deposits, as defined above.

(g) Receivables

Collectability of receivables is reviewed on an ongoing basis at an operating unit level. Individual receivables that are known to be uncollectible are written off when identified. An impairment provision is recognised when there is objective evidence that the Company will not be able to collect the receivable.

Related party receivables are carried at cost, less impairment, if any.

Notes to the financial statements (continued)

For the year ended 31 December 2015

2 Summary of significant accounting policies (continued)

(h) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Only assets purchased with a value in excess of \$2,000 are capitalised.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Company. Ongoing repairs and maintenance are expensed as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. Land is not depreciated.

The estimated useful lives for the current and comparative years are as follows:

Leasehold improvements	10 years (or the term of lease if shorter)
Furniture and equipments	3 - 4 years
Information technology	3 years
Motor vehicles	4 years

(i) Leases

The Company's leases are classified as operating leases and are not recognised in the Company's statement of financial position.

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Notes to the financial statements (continued)

For the year ended 31 December 2015

2 Summary of significant accounting policies (continued)

(j) Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Depreciated replacement cost is used to determine value in use. Depreciated replacement cost is the current replacement cost of the item less, where applicable, accumulated depreciation to date, calculated on the basis of such cost. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(k) Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition. The carrying amount of the trade and other payables is deemed to reflect fair value.

Related party payables are non-interest bearing and carried at cost.

(l) Interest-bearing loans and borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Notes to the financial statements (continued)

For the year ended 31 December 2015

2 Summary of significant accounting policies (continued)

(m) Employee benefit liabilities

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that are due more than 12 months after the end of the period in which the employees render the service are discounted to their present value.

(ii) Other long-term employee benefits

The Company's net obligation in respect of other long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods.

(iii) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(n) Reserves/surplus

Reserves are held to meet all identifiable liabilities the organisation may face in the event of a sudden cessation of operations. These liabilities are quantified and subjected to a risk assessment as part of the annual budget setting process. The level of reserves is set by the Board annually.

Any surplus in excess of the reserves level is held to enable investment into campaigning, fundraising or organisational strategic opportunities.

(o) Income

Income in the form of bequests, donations and contributions is recognised in the year in which they are received or the period in which the Company gains control of the asset. Conditional bequests and grants are treated as a liability until the condition relating to the bequest or grant has been satisfied at which point they are recognised as income.

In-kind donations

Plant and equipment and other items donated to the Company are included at the fair value to the Company where this can be quantified and a third party is bearing the cost.

(p) Finance income and finance cost

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Finance costs comprise interest expense on borrowings and net foreign exchange loss. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method. Foreign currency gains and losses are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or not loss position.

(q) Income tax

The Company has received written confirmation from the Deputy Commissioner of Taxation that it is exempt from income tax pursuant to Section 50-10 of the Income Tax Assessment Act 1997. Accordingly no provision for income tax is required.

Notes to the financial statements (continued)

For the year ended 31 December 2015

2 Summary of significant accounting policies (continued)

(r) Use of estimates and judgments

The preparation of financial statements in accordance with Australian Accounting Standards - Reduced Disclosure Regime requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

There are no judgements made by management in the application of Australian Accounting Standards that have significant effect on the financial report or estimates with a significant risk of material adjustment in the next year.

Notes to the financial statements (continued)

For the year ended 31 December 2015

4	Income		
		2015	2014
		\$	\$
	Regular auto-giving	12,283,191	12,528,105
	Supporter recruitment	1,287,306	1,418,856
	Major donations and foundations	1,565,450	3,533,873
	Special appeals	1,196,781	1,092,495
	Bequest income	3,169,837	763,221
	Membership renewal	103,014	93,743
		19,605,579	19,430,293
5	Other income		
		2015	2014
		\$	\$
	Net gain on sale of property, plant and equipment	19,752	9,701
	Contributions from Greenpeace International Ltd	714,304	580,753
	Contributions from other parties	25,389	97,675
	Other income	105,433	119,481
		864,878	807,610
6	Finance income and finance cost		
		2015	2014
		\$	\$
	Interest income	257,761	228,912
	Finance income	257,761	228,912
	Interest expense	-	(15,818)
	Net foreign exchange loss	(1,161)	(25,512)
	Finance cost	(1,161)	(41,330)
	Net finance income recognised in statement of profit or loss and other comprehensive income	256,600	187,582
7	Cash and short term deposits		
		2015	2014
		\$	\$
	Cash on hand	1,000	1,250
	Cash at bank	712,944	781,331
	Call deposits	11,874,883	9,498,265
		12,588,827	10,280,846

Notes to the financial statements (continued)

For the year ended 31 December 2015

8 Receivables

	<u>2015</u>	<u>2014</u>
	\$	\$
Current		
Other receivables	175,876	123,403
Related party receivables:		
Greenpeace New Zealand	-	77,100
Greenpeace UK	-	3,154
Greenpeace SEA	-	2,004
Greenpeace Mexico	-	416
Greenpeace International Ltd	323,884	-
	<u>499,760</u>	<u>206,077</u>

9 Other assets

	<u>2015</u>	<u>2014</u>
	\$	\$
Current		
Advances to employees	671	4,958
Prepayments	108,507	83,506
	<u>109,178</u>	<u>88,464</u>

Notes to the financial statements (continued)

For the year ended 31 December 2015

10 Property, plant and equipment

	Leasehold improvements	Furniture and equipments	Information technology	Motor vehicles	Other	Total
	\$	\$	\$	\$	\$	\$
Cost or deemed cost						
Balance at 1 January 2015	500,770	141,984	699,049	445,312	1,941	1,789,056
Additions	-	14,974	38,494	20,214	-	73,682
Disposals	-	-	(156,371)	(79,475)	-	(235,846)
Balance at 31 December 2015	500,770	156,958	581,172	386,051	1,941	1,626,892
Depreciation and impairment losses						
Balance at 1 January 2015	342,421	137,970	635,253	330,047	-	1,445,691
Depreciation charge for the year	60,506	4,944	38,872	42,037	-	146,359
Disposals	-	-	(156,371)	(79,475)	-	(235,846)
Balance at 31 December 2015	402,927	142,914	517,754	292,609	-	1,356,204
Carrying amounts						
At 31 December 2015	97,843	14,044	63,418	93,442	1,941	270,688
At 31 December 2014	158,349	4,014	63,796	115,265	1,941	343,365

During the year, an amount of \$146,359 in respect of depreciation expense was recognised in profit or loss (2014: \$165,784)

Notes to the financial statements (continued)

For the year ended 31 December 2015

11 Trade and other payables

	2015	2014
	\$	\$
Current		
Trade payables	490,713	473,851
Other payables and accrued expenses	203,511	211,948
	<u>694,224</u>	<u>685,799</u>
Related party payables:		
Greenpeace Netherlands	-	5,696
Greenpeace France	1,197	-
Greenpeace USA	-	32
Greenpeace International Ltd	-	30,979
	<u>695,421</u>	<u>722,506</u>
Non-current		
Deferred lease liability - lease incentives	<u>72,527</u>	<u>115,565</u>

12 Loans and borrowings

	2015	2014
	\$	\$
Current		
Loan from Greenpeace International Ltd	<u>500,000</u>	<u>500,000</u>
Non-current		
Loan from Greenpeace International Ltd	<u>-</u>	<u>500,000</u>

The loan from Greenpeace International Ltd is denominated in Australian dollars with interest applicable at a rate of 6% per annum. An amount of \$0.5m was repaid in December 2015 (2014: \$1m).

As at the reporting date, the carrying value of financial assets and liabilities as at the end of the financial year are considered to approximate their fair value.

13 Employee benefit liabilities

	2015	2014
	\$	\$
Current		
Provision for annual leave	338,041	287,200
Provision for long service leave	230,065	265,398
Provision for personal leave	225,617	221,566
	<u>793,723</u>	<u>774,164</u>
Non-current		
Provision for long service leave	<u>144,368</u>	<u>139,220</u>

During the year, an amount of \$5,561,867 in respect of employee benefits was recorded in profit or loss (2014: \$5,922,322) of which an amount of \$453,962 in respect of contributions to defined contribution plans was recognised (2014: \$467,240).

Notes to the financial statements (continued)

For the year ended 31 December 2015

14 Commitments

Operating lease commitments – Company as lessee

Future minimum rentals payable under non-cancellable operating leases as at 31 December are as follows:

	<u>2015</u>	<u>2014</u>
	\$	\$
Within one year	593,635	590,046
After one year but not more than five years	609,035	1,141,865
More than five years	-	59,269
	<u><u>1,202,670</u></u>	<u><u>1,791,180</u></u>

The Company leases a number of warehouse and office facilities under operating leases. The leases typically run for a period of 3 years, with an option to renew the lease after that date. Lease payments are increased every year to reflect market rentals. None of the leases includes contingent rentals.

During the year, an amount of \$542,178 expense in respect of operating leases was recognised in profit or loss (2014: \$556,160).

15 Related parties

Director's compensation

The board approved payment of an honorarium for the Board Chair in recognition of the significant time required to fulfil the duties of the position.

	<u>2015</u>	<u>2014</u>
	\$	\$
Honorarium paid	<u><u>30,000</u></u>	<u><u>30,000</u></u>

Other directors of the Company received reimbursement of expenses only.

Other related party transactions

The Company is required to make contributions to Greenpeace International Ltd on an annual basis in accordance with the Licence Agreement. Licensing contributions are calculated at 18% of total external income (including revenue and finance income but excludes Greenpeace grant income) for the financial year two years prior. An additional negotiated contribution is made to the global programme under the Contribution Model funding mechanism. These additional contributions are made to Greenpeace International Ltd and are calculated using sliding percentages on net of external income reduced by fundraising acquisition costs and conditional income over EUR30k for the financial years two years prior.

	<u>2015</u>	<u>2014</u>
	\$	\$
During the year contributions were made to: Greenpeace International Ltd	<u><u>4,798,000</u></u>	<u><u>5,435,020</u></u>

The contribution to Greenpeace International Ltd is included as part of campaigning expenditure in the statement of profit or loss and other comprehensive income.

Notes to the financial statements (continued)

For the year ended 31 December 2015

15 Related parties (continued)

Other related party transactions (continued)

	2015	2014
	\$	\$
During the year cash was transferred to/(from): Greenpeace International Ltd	<u>2,650,000</u>	<u>3,067,500</u>

Related party balances

Receivables and payables due from/to related parties are disclosed at notes 8 and 11. Loans from related parties are disclosed at note 12.

Key management personnel compensation

The aggregate compensation paid to key management personnel of the Company is set out below:

	2015	2014
	\$	\$
Total key management personnel compensation	<u>930,751</u>	<u>861,438</u>

16 Events after the reporting period

There have been no significant events occurring after the reporting period which may affect either the Company's operations or results of those operations or the Company's state of affairs.

17 Contingent liabilities

The Company has no contingent liabilities as at 31 December 2015 (2014: nil).

18 Fundraising Act disclosures

	2015	2014
	\$	\$
<i>Results of fundraising appeals</i>		
Gross proceeds from fundraising appeals	19,605,579	19,430,293
Less: Direct costs of fundraising appeals	(6,678,012)	(5,579,623)
Net surplus from fundraising appeals	<u>12,927,567</u>	<u>13,850,670</u>
<i>Application of net surplus obtained from fundraising appeals</i>		
Campaigning	(9,415,259)	(9,846,475)
Administration	(1,504,382)	(1,852,432)
	<u>(10,919,641)</u>	<u>(11,698,907)</u>
Surplus transferred to accumulated surplus	<u>2,007,926</u>	<u>2,151,763</u>

Refer to the reserves accounting policy note 2(n) for an explanation of how the net surplus from fundraising is applied.

Notes to the financial statements (continued)

For the year ended 31 December 2015

18 Fundraising Act disclosures (continued)

Analytical percentages in accordance with Charitable Fundraising Act (NSW) 1991.

	2015	2014
<i>Fundraising</i>		
Total fundraising costs to fundraising gross income	34.1%	28.7%
Net surplus from fundraising to fundraising gross income	65.9%	71.3%
<i>Campaigning</i>		
Total cost of campaigns to total expenditure	53.5%	57.0%
Total cost of campaigns to total income	48.0%	50.7%

Refer to accounting policies for policy notes relevant to fundraising. There are no material issues or events that are expected to impact on fundraising.

Appeals conducted throughout the year ended 31 December 2015.

- High giving -Trust and Foundations
- End of calendar year giving
- Face to face recruitment
- Reactivating lapsed supporters
- Conversions - one off giving to Regular giving
- Personalised High Giving programme
- Community Fundraising
- End of Tax year giving
- Telemarketing
- Door to Door Recruitment

Directors' declaration

In the opinion of the directors Greenpeace Australia Pacific Limited (the Company):

- (a) the financial statements and notes that are set out on page 11 to 27, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
 - (i) giving a true and fair view of the Company's financial position as at 31 December 2015 and of its performance for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards – Reduced Disclosure Regime and the *Australian Charities and Not-for-profits Commissions Regulation 2013*; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors



Dr. Lena Aahlby
Director

22 March 2016

Declaration by director in respect of fundraising appeals pursuant to the Charitable Fundraising Act (NSW) 1991, Collections Act (QLD) 1966, Collections for Charities Act (TAS) 2001 and Fundraising Act (VIC) 1988 - Regulations

I, Lena Aahlby, director of Greenpeace Australia Pacific Limited, declare, in my opinion:

- (a) the financial statements give a true and fair view of all income and expenditure of Greenpeace Australia Pacific Limited with respect to fundraising appeals;
- (b) the statement of financial position gives a true and fair view of the state of affairs with respect to fundraising appeals;
- (c) the provisions of the *Charitable Fundraising Act (NSW) 1991, Collections Act (QLD) 1966, Collections for Charities Act (TAS) 2001 and Fundraising Act (VIC) 1988* and the regulations under these Acts and the conditions attached to the authority have been complied with for the period 1 January 2015 to 31 December 2015; and
- (d) the internal controls exercised by Greenpeace Australia Pacific Limited are appropriate and effective in accounting for all income received.



Dr. Lena Aahlby
Director

22 March 2016

Independent auditor's report to the Directors of Greenpeace Australia Pacific Limited

Report on the financial report

We have audited the accompanying financial report of Greenpeace Australia Pacific Limited, which comprises the statement of financial position as at 31 December 2015, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards, and the *Australian Charities and Not-for-Profits Commission Act 2012* and for such internal controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 controls relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. 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.

Independence

In conducting our audit we have complied with the independence requirements of the *Australian Charities and Not-for-Profits Commission Act 2012*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

Opinion

In our opinion:

- a. the financial report of Greenpeace Australia Pacific Limited is in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, including:
 - (i) giving a true and fair view of the company's financial position as at 31 December 2015 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards, and the *Australian Charities and Not-for-Profits Commission Regulation 2013*.

Report on the requirements of the *NSW Charitable Fundraising Act 1991* and the *NSW Charitable Fundraising Regulations 2008* and the requirements of the *WA Charitable Collections Act (1946)* and the *WA Charitable Collections Regulations (1947)*

We have audited the financial report as required by Section 24(2) of the *NSW Charitable Fundraising Act 1991* and the *WA Charitable Collections Act (1946)*. Our procedures included obtaining an understanding of the internal control structure for fundraising appeal activities and examination, on a test basis, of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising appeal activities pursuant to the *NSW Charitable Fundraising Act 1991* and the *NSW Charitable Fundraising Regulations 2008* and the *WA Charitable Collections Act (1946)* and the *WA Charitable Collections Regulations (1947)*.

Because of the inherent limitations of any assurance engagement, it is possible that fraud, error or non compliance may occur and not be detected. An audit is not designed to detect all instances of non compliance with the requirements described in the above-mentioned Act(s) and Regulations as an audit is not performed continuously throughout the period and the audit procedures performed in respect of compliance with these requirements are undertaken on a test basis. The audit opinion expressed in this report has been formed on the above basis.

Opinion

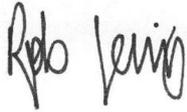
In our opinion:

- a) the financial report of Greenpeace Australia Pacific Limited has been properly drawn up and associated records have been properly kept during the financial year ended 31 December 2015, in all material respects, in accordance with:
 - (iii) sections 20(1), 22(1-2), 24(1-3) of the *NSW Charitable Fundraising Act 1991*;
 - (iv) sections 9(6) and 10 of the *NSW Charitable Fundraising Regulations 2008*;
 - (v) the *WA Charitable Collections Act (1946)*; and
 - (vi) the *WA Charitable Collections Regulations (1947)*.

- b) the money received as a result of fundraising appeals conducted by the company during the financial year ended 31 December 2015 has been properly accounted for and applied, in all material respects, in accordance with the above mentioned Act(s) and Regulations.



Ernst & Young



Rob Lewis
Partner
Sydney
22 March 2016

Statement of income and expenditure

For the year ended 31 December 2015

	2015	2014
	\$'000	\$'000
INCOME		
Supporter recruitment		
Auto payment	1,150	1,263
Other	240	249
Existing supporters		
Auto payment	12,260	12,501
Special appeals	987	925
Other	232	195
Other fundraising income		
Major donors and foundations	1,565	3,534
Bequest income	3,170	763
Other income		
Grant income	825	750
interest received	258	229
Profit on sale of property, plant and equipment	20	9
Other	19	22
Total income	20,726	20,440
EXPENDITURES		
Fundraising		
Recruitment investment	4,454	3,465
Supporter communication and maintenance	2,224	2,114
Total fundraising expenditure	6,678	5,579
Campaigning		
Oceans	592	425
Climate/energy	973	926
Nuclear	53	-
Forests	66	26
Media and communications	1,063	1,375
Marine operations and action support	802	967
Public information	858	316
Political, science and business	204	218
Other issues	3	158
Contribution to international campaigning	4,801	5,435
Total campaigning expenditure	9,415	9,846
Organisational support	1,504	1,868
Total expenditure	17,597	17,293
Operating surplus	3,129	3,147
Transfer to reserves	-	-
	3,129	3,147