

**Friends of
the Earth
Australia**

Annual Report 2011-2012



Friends of the Earth (FoE) Australia is a national federation of local environmental groups working for a sustainable and equitable future.

We are the Australian member of FoE International, which is the largest grassroots environmental network on the planet.

Our Vision

Our vision is of a world where everyone's needs are met in a way which safeguards the future of the environment. We work for a world where environmental protection, social justice and economic welfare for all people go hand in hand. Through our local, national and international networks, we work with the community to communicate, raise awareness, put forward alternatives, and take action for a sustainable future.

FoE operates from an environmental justice perspective. This means working towards a situation where all people live in a healthy environment and where the benefits and costs of economic activity are shared equally, including between nations and generations. FoEA supports Indigenous sovereignty and works at both the local level with specific Indigenous communities as well as participating in debates and campaigns at the national and international level.

FoE understands that in an era of globalisation and international environmental problems an international and co-operative response is required. FoEA seeks to develop strong relations with environmental and social justice movements in all parts of the world.



Our work in 2011/12

FoE Australia is a federation of local groups, national projects and campaigns, and affiliate members. It has offices in Adelaide, Melbourne, and Brisbane.

Because our work is largely based in our local groups, it is very diverse, and it is difficult to adequately describe our activities in depth in an annual report. We therefore tend to profile one or two key campaigns or groups each year. This year we will focus on our clean energy/ climate change campaign and our work in the Murray Darling Basin.

THE MURRAY DARLING BASIN

This project grew from the campaign to gain protection for the Red Gum ecosystems along the Murray River in Victoria, while acting to ensure traditional owner groups gained greater access to land justice in this process.

The campaign has been driven by the Barmah Millewa collective (BMC) based in Melbourne, which is co-ordinated by Alyssa Vass, Jonathan La Nauze, our national water campaigner, Carmel Flint (NSW), and Indira Narayan.

Murray Darling Basin Plan Campaign

Through a range of community, media and networking initiatives, the Barmah-Millewa Collective's campaign is well on its way to ensuring the Murray Darling Basin Plan provides a lasting solution to the Basin's water crisis. Our work has consistently held decision makers to account and assured that the worst possibilities for the Basin Plan have been prevented.

We have conducted detailed policy analysis, including a submission to the public consultation of the draft Basin Plan in April 2012, which allowed us to break a number of key stories in the media.

Our work has highlighted that the draft Plan does not meet the requirements of the and just how much it fails the Basin's ecosystems. For example, if implemented as is, the draft Plan could lead to at least half of the Basin's Ramsar listed wetlands, including the Coorong and Barmah-Millewa, losing their international status due to a failure to meet ecological targets.

To strengthen the public campaign for positive environmental outcomes, we developed strong leadership of an alliance of peak environmental

NGOs campaigning on this issue and supported and mobilised a number of local environment groups and Indigenous nations throughout Victoria and NSW to participate in consultation processes or approach their federal MP with their concerns.

"We are proud to be a part of this campaign, and to be able to openly converse with our Federal MP on such an important matter. It is unlikely we would be able to achieve what we have so far, without working with Friends of the Earth."

- Lee Fuller, Convener, Emerald for Sustainability

Whilst the political environment is still very challenging, the combined impact of our campaign strategies has led to a number of changes in the second iteration of the draft Basin Plan that was released in May 2012. These include:

- Limits to extraction of groundwater have been reduced by 1,200 gigalitres
- Removal of discriminatory measures relating to consideration of cultural water allocations for Indigenous communities
- Strengthening of some aspects of the environmental watering plan

At this stage it is difficult to predict the details of the final version of the Basin Plan. However, federal Water Minister Tony Burke stated on the day of the release of the second iteration that he is not yet ready to present this draft to parliament and wants to see stronger environmental outcomes. This is a

direct result of the alliance presence in this debate, and we will continue our strong campaign on this issue in 2012-13.

Friends of the Earth is a member of the *Inland Rivers Network* as part of this campaign.

Further information: ourdarlingmurray.org

Talking About Cultural Water – Short Films

After working for more than a decade with Traditional Owners throughout the Murray Darling Basin to obtain protection of Red Gum forests on their Country, and joint management rights for Indigenous communities, the Barmah Millewa Collective turned their attention this year to "cultural water".

As well as supporting Traditional Owners to participate in the Murray Darling Basin Plan processes, we began work on a short films project with the Wadi Wadi and Mutthi Mutthi communities, near Swan Hill, Victoria, and Balranald in NSW respectively.

These films include interviews with elders, families and children, discussing why healthy rivers, and adequate river flows, are essential for the maintenance of Traditional culture, including the protection of significant species such as medicinal plants and traditional food and sites of historical and cultural importance, such as middens and scar trees. Community members also talk on the films about their aspirations for being involved in improved water management over their Country, and how Indigenous knowledge can enhance non-Indigenous understanding of water management.

'The river to me is a life of freshness and goodness. When I was a little kid that was where we got all our resources. Over the years I've seen my river Country change. It's because of all the locks, weirs and pumping stations. A lot of our good water goes before it even gets here. What I know is that what this river gave me when I was a kid, I know, is not there now.'

- Aunty Mary Pappin, Mutthi Mutthi Elder, talking about the Murrumbidgee River

The films will be finished during 2012-13. As well as working with the individual nation groups, we have consulted with the peak Indigenous groups *Murray and Lower Darling Rivers Indigenous Nations (MLDRIN)* and *Northern Basin Aboriginal Nations (NBAN)*.

Co-Management Support and Cultural Biodiversity Surveys of Nyah Vinifera Park

The Wadi Wadi community, on the Murray River in northern Victoria, were one of the Traditional Owner groups who achieved Co-Management rights over the newly created red gum park on their Country, Nyah Vinifera Park, during our successful Red Gum Forest campaign. In order to support the negotiation of a formal Co-Management Agreement with the State Government, the Barmah Millewa Collective continued throughout 2011 to auspice the employment of a Co-Management Negotiations Coordinator and provide practical support such as conducting a training "needs analysis" with the community.

We also partnered with Wadi Wadi and Australian Ecosystems to conduct ecological surveys in Nyah Vinifera Park, provide training in surveying and species identification for community members, and cultural training for ecologists and local conservationists. A survey and training weekend was conducted in January 2012 of four sites within the park that were considered to be of both ecological and cultural importance.

Significant observations from this first round of surveys include:

- Two Ecological Vegetation Classes (EVCs), Aquatic Sedgeland and Floodway Pond Herbland/Riverine Swamp Forest Complex, observed during this survey had not been previously recorded in the area. *Centipeda cunninghamii* (Old Man Weed) is a particularly important species for Wadi Wadi, and is prevalent in Floodway Pond Herbland areas.
- Sedgy Riverine Forest is mapped as being widespread in the Nyah-Vinifera Forest. Over much of its distribution the understorey dominant *Carex tereticaulis* (Poong'ort) has been severely depleted, most likely due to lack of regular flooding between 1996 and 2010.

- There is evidence of a decline in tree health in both River Red Gum and Black Box on the Nyah-Vinifera floodplain
- Ten rare and threatened flora species were recorded, 3 of which represent the first records of these species within the study area
- The broad array of land forms in such a relatively small area provides habitat for a high diversity of indigenous flora and fauna and EVCs, many of which are of high conservation significance. Of the thirteen EVCs supported by the Floodplain Complex, eight are regionally depleted, two are vulnerable and at least one is endangered.
- The Dry Plain (a relatively high point on the floodplain) supports a high concentration of culturally significant sites, including middens and traditional living areas

The report concluded that the long-term survival of these floodplain systems will depend on the delivery of environmental flows and the reinstatement of a more typical flooding regime. Friends of the Earth will work with potential partner organisations in 2012-13 to establish an ongoing survey project within the park.



CLIMATE CAMPAIGNING

For many years our climate justice campaign forged the agenda on the human rights dimensions of climate change, most notably through advocating for recognition of climate refugees (people and communities displaced by climate change). In recent times, we have been greatly increasing the work we do on mitigation – that is, reducing our greenhouse gas emissions here in Australia. We have active climate campaigns focused on coal and gas at the state or regional level in Brisbane, Melbourne and Sydney.



Queensland

In Queensland there are plans for 34 coal mines and 40,000 coal seam gas mines, as well as massive infrastructure including pipelines, railways and port facilities.

Wandoan court case

In March, the Queensland Land Court recommended that the Wandoan coal mine proceed despite concerns raised by Friends of the Earth about the impacts of burning coal. In a unique challenge to the mine's approval, FoE had argued for the outright refusal of the mega coal mine based on climate change impacts.

FoE has been a leading force in the community opposition to the rollout of coal seam gas (CSG) in Queensland. We have been pivotal to the broad based and determined resistance that has been happening in places like Tara on the Darling Downs. We are a key member of the Lock the Gate Alliance (LTGA).

Lock the Gate was launched in late 2010, when representatives of eight farmers' and residents' organisations joined Friends of the Earth outside the Queensland parliament to announce the campaign. LTGA is opposed to miners' plans for up to 40,000 CSG wells and massive new coal mines on the rich agricultural lands of the Darling Downs. Lock the Gate has already grown to be a national grouping of more than 80 organisations. The current president of LTGA is FoE campaigner Drew Hutton.

Farmers, environmentalists and scientists have been warning the state and federal governments for some time that CSG activities are potentially hazardous to human health, agricultural land and

underground water, and could damage the Great Artesian Basin for centuries. They have called on these governments to impose a moratorium on the industry until all outstanding social and environmental issues have been addressed.

In 2012, the campaign has also focused on plans to build a major gas export facility in Gladstone harbour. Recent independent scientific studies of Gladstone Harbour have clearly identified that the changes to the harbour from the intensive dredging has already caused the death of countless dugongs, turtles and fish. In March, Gladstone local Mark 'Potts' Driscoll boarded and stopped operations on one of the controversial Gladstone Harbour dredges. Mr Driscoll took action to defend the Great Barrier Reef and Gladstone Harbour from the destructive dredging caused by Queensland's coal seam gas industry.

In order to build community awareness of this industry, June Norman, a 71 year old Great Grandmother, initiated a 500 km walk called Walking for A Future from near Dalby to Gladstone, following the Queensland Gas Company's proposed coal seam gas / liquefied natural gas pipeline and the Xstrata coal train corridor into Gladstone. June and the other walkers arrived the same day that the World Heritage Committee from UNESCO was assessing the impacts that these industries are having on the World Heritage Listed Great Barrier Reef and the surrounding Marine Park .

Details here: <http://brisbane.foe.org.au/content/great-grandmother-walking-future-against-coal-and-coal-seam-gas>

Victoria

In Victoria, FoE has been working with community groups to tackle climate change. We have been campaigning for a moratorium on all new coal power stations and against the proposed HRL coal fired power station in the Latrobe Valley.

Friends of the Earth actively promotes a just transition to renewable energy jobs for coal mining communities. We have been promoting the uptake of renewable energy by supporting initiatives for community wind farms and opposing changes to state planning laws that restrict the rollout of wind energy.

We believe that Victoria can play its part in reducing greenhouse emissions by leading the way to a low carbon future. A starting point would be to commit to meet all our energy needs from renewable sources by 2020, which has been demonstrated to be feasible by renewable energy advocates Beyond Zero Emissions.

A key development over the past year has been the decision by climate action group Quit Coal to formally affiliate with FoE. This has greatly increased our ability to campaign for strong action on climate change.

Bacchus Marsh

Quit Coal has continued to work with local communities which will be adversely affected by the proposed coal mine in the rich agricultural area around Bacchus Marsh, to the west of Melbourne. This activity has included community outreach, training, peaceful direct action, extensive media work and lobbying of all key players in the proposed development.



Anglesea

FoE climate campaigners have been working with local residents and groups to build a campaign around the Alcoa coal mine just near Anglesea, on the west coast of the state. The aim of this campaign is to encourage the company to commit to replacing its coal power station with locally produced renewable energy.

Coal seam gas

From early 2011, FoE has been the key green organisation working to prevent the development of a CSG and un conventional gas industry in Victoria. We believe such an industry would have a major negative impact on ground and surface water, agricultural land and biodiversity, local food production and food security, and rural communities. It would also be a significant source of new greenhouse emissions.

We put CSG 'on the map' in 2011 through hosting a CSG roadshow – a series of events held through western Victoria. This featured presentations from Drew Hutton, the president of the Lock the Gate Alliance.

After helping defeat a number of proposals for CSG and coal in Western Victoria in 2011, in 2012 we have focused our campaign activity on Gippsland, which is facing new coal, CSG and Tight gas operations. FoE has launched a major campaign calling on the state government to implement a moratorium on new fossil fuel projects until there has been a thorough investigation into the likely impacts of this industry on:

- water resources,
- farmland and food security,
- local communities and natural biodiversity, and
- greenhouse emissions.

FoE has received support from more than 60 organisations in Victoria in its campaign, and 6 local Councils have supported the call for a moratorium on coal and/or CSG. The state government has now introduced a moratorium on hydraulic fracturing ('fracking') operations and a ban on the use of certain chemicals (the BTEX group) as a result of this campaign.

Supporting renewable energy

FoE campaigns widely in support of the uptake of renewable energy.

Yes 2 renewables

Opinion polling consistently shows that the majority of Australians support the continued development of renewable energy. However, groups opposed to renewables, and wind energy in particular, receive a disproportionate amount of attention in the media, creating a false impression about community attitudes to clean energy.

Through the creation of the 'yes 2 renewables' project, FoE has attempted to inject a positive voice into the public debate, focusing on the economic and employment benefits of renewable energy and the climate impacts of choosing energy sources like wind and solar. We have held 'listening tours' in regional Victoria and NSW to gauge public opinion on specific wind projects, and generated public support for various proposals.

In January 2012, we received national media as a result of the release of documents received under a Freedom of Information (FOI) request to NSW Health which cast doubt on the credentials of anti-wind farm campaigners who have been building fears in communities around the country.

Yes2renewables.com

THE SOUTH MELBOURNE COMMONS (SMC)

This project grew from a vision which intended see the development of a series of 'eco markets' across Australia. The Commons evolved into a 'bricks and mortar' project in an old primary school, and is a joint initiative of Friends of the Earth and the Father Bob Maguire Foundation and is located in South Melbourne.



After several years of planning, the Commons was finally opened in December 2011. We have renovated the old Galilee Primary School into a sustainability demonstration centre, which features a cafe, organic grocery store, spaces for community groups and events, organic gardens, and public access open space. Many hundreds of people visit the site each week, and we have a range of free community celebrations, workshops, forums and other events.

A grant from Sustainability Victoria allowed us to install a solar PV array, rainwater tanks, and other infrastructure to reduce our footprint.

Many hundreds of people volunteered their time to turn the old school from a derelict building surrounded by chest high grass and weeds into a thriving community centre.

Further information is available here: <http://commons.org.au/>





ANTI-NUCLEAR & CLEAN ENERGY CAMPAIGN

Friends of the Earth's Anti-nuclear and Clean Energy (ACE) campaign has been working on the environmental impacts of different energy sources for over three decades. Historically the focus was on uranium and nuclear energy; over the past decade the scope of the campaign's activities have been expanded to cover all energy sources.

Over the past year some highlights include the following:

- supporting the campaigns to keep WA and NSW uranium-free;
- supporting the Aboriginal-led Australian Nuclear Free Alliance;
- promoting renewables and exposing misinformation from the nuclear lobby;
- working with other NGOs to try to hold the federal government to its policy of prohibiting uranium sales to countries that have not signed the Nuclear Non-Proliferation Treaty;
- produced and published the online <http://australianmap.net> educational resource;
- we have provided multifaceted support for the campaign against the plan to impose a national nuclear waste dump on the land of Muckaty Traditional Owners in the NT;
- producing a detailed report on the Fukushima disaster and a range of other work relating to this nuclear disaster;
- participated in a conference in Kuala Lumpur to help build the strength of the Malaysian anti-nuclear movement;
- work on the contentious plan to export rare earth ore from WA for processing in Malaysia; and
- work on the hazards associated with food irradiation

foe.org.au/anti-nuclear



SUSTAINABLE FOOD

New Pesticides and Food Report

Friends of the Earth released a report *The Dose Makes the Poison?* which highlights the Australian fruit and vegetables most at risk of pesticide residues and names the pesticides most commonly detected in Australian foods.

According to the research, the most risky foods are: apples, wheat, strawberries, pears, grapes, nectarines, peaches and bread. The most risky imported food identified over the past two years was Chinese peanut butter.

The report is available here:

http://www.foe.org.au/sites/default/files/TheDoseMakesThePoisonFeb2012_0.pdf



Safe food institute

In early 2011, FoE supported the establishment of the Safe Food Foundation, a not-for-profit organisation to promote awareness of the health, social, economic and environmental impacts of food production.

With a broad remit and a proactive, solution oriented approach to food quality and safety, its mission is to highlight issues around the production and consumption of Genetically Modified (GM) foods, chemicals, nanotechnology, irradiation, corporate control, monoculture, fair trade and food sovereignty.

It's goal is to encourage the production of foods of high nutrient quality which are safe to consume, sustainable for our environment, and beneficial to the social systems that produce and consume those foods. This is vital if consumers are to continue enjoying the right to choose clean and natural foods, including organic foods.

It is seeking to ensure that regulators rigorously and transparently assess and manage the risks stemming from the use of agricultural technologies such as GM, nanotechnology and irradiation; and to educate consumers about these issues so that they know precisely what they are eating and how their food has been produced.

<http://safefoodfoundation.org/>

Australian Food Sovereignty Alliance

In 2010, Woolworths CEO Michael Luscombe made a call for a national food policy.

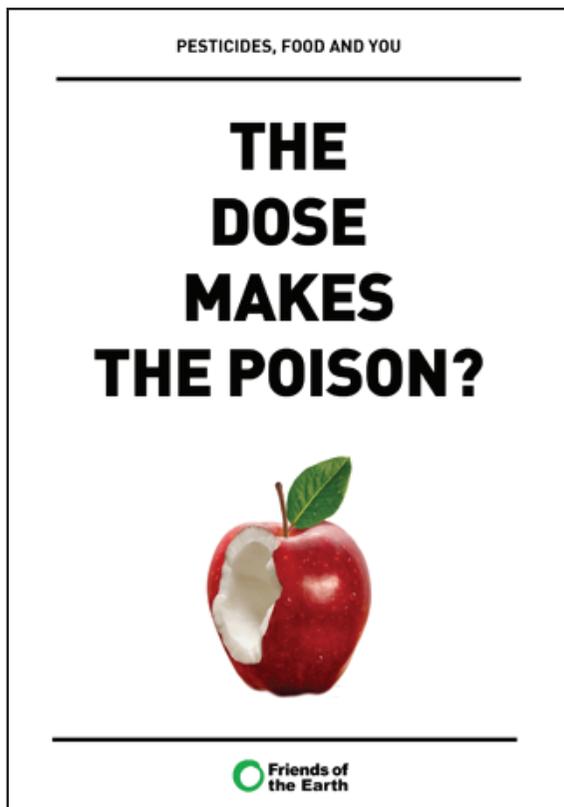
The agriculture minister Tony Burke said that such a policy would be developed should the ALP be returned to power, citing Woolworths, the National Farmers' Federation and other large industry interests as the key stakeholders.

In response, FoE Adelaide, in collaboration with the Food Connection Foundation and food activists around the country formed the Australian Food Sovereignty Alliance, a growing national network of small farmers, community, environment and health organisations, social and business enterprises, in order to assert the need for food policy to be truly democratic and to encompass the full social and environmental implications of our food and agriculture system.

The first public statement from the Alliance, a letter to the agriculture spokespeople for all major parties, attracted well over 100 organisational signatories.

Further information:

<http://foodsovereigntyalliance.org>



FORESTS AND BIODIVERSITY

Forest Stewardship Council (FSC)

Forest certification is a voluntary, market-based tool that seeks to support responsible forest management worldwide. Certified wood is verified from the forest of origin through the supply chain to its use by consumers. The certifying body ensures that trees destined to be certified come from responsibly harvested and verified sources.

A certified logging operation must also respect the social, economic, ecological, cultural and spiritual needs of present and future generations who depend on the forests.

FoE has a representative on the board of FSC Australia and continues to play a key role in the development of FSC systems in Australia.



Koala at risk in Strzelecki Ranges

Friends of the Earth continued its work to gain adequate protection for the Strzelecki Koala, which is the most genetically robust population remaining in Victoria and South Australia.

Over the past year, there was a significant opportunity to gain extra protection for the Strzelecki Koala through federal government intervention. However, Friends of the Earth was deeply disappointed that Federal Environment Minister Tony Burke failed to list the koala as endangered or vulnerable.

Protecting the Wurrup forest

Local group Bridgetown Greenbushes Friends of the Forest (BGFF) in south western Western Australia have been working for well over a decade to protect remaining old growth forests in the region.

Over the past year, the focus of their work has been the Wurrup 06 compartment, one of only two significant areas of old-growth Jarra forest in the Greater Kingstons area, the other being in Wurrup 04 and 05 which are now protected in a National Park.

While logging within Wurrup 6 has now been completed, with a significant environmental impact were successful in gaining some protection, with reduced impacts of logging operations in some areas and creation of a large buffer. In the coming year BGFF will be concentrating on the protection of effective wildlife corridor links between the National Park and designated Habitat Zone.

<http://bgff.org.au/>





CHEMICALS AND WATER

Pesticides and drinking water in Tasmania

Friends of the Earth has launched a brief report on the state of Tasmania's drinking water.

The report is part of a longer term strategy to tie in research from across Australia regarding drinking water issues.

The information was sourced from three Right to Information requests from Southern Water, Ben Lomond Water and Cradle Mountain Water.

It highlighted issues relating to water disinfection, old infrastructure and pesticide contamination.

CCA outcome

After many years of campaigning by FoE campaigner Anthony Amis, the timber treatment chemical Copper chromium arsenic (CCA) was designated as being a restricted chemical by the federal regulator. This means people using CCA products will need to be authorised by the government to continue using and being supplied with these products.

NANOTECHNOLOGY

Sunscreen and cosmetics work

Last summer, our Safe Sunscreen Guide continued to break new ground. After intense lobbying, the Australian Education Union passed a resolution to protect school children from nano-sunscreens and provide copies of the Safe Sunscreen Guide to every state school in Australia. The motion generated extensive international media coverage.

Over 10,000 copies of the guide were distributed, with guides provided to every state school in Victoria, South Australia, Western Australia, Tasmania, ACT and the Northern Territory.

The guide received great mainstream media exposure which resulted in over 40,000 people viewing the guide on our website

The industry pressure generated by the guide resulted in more sunscreen and cosmetics companies deciding to reformulate their brands and start marketing them as 'nano-free'.

The federal government's own polling conducted in January 2012 found that over 30% of Australians have now heard about the risks of nanoparticles used in sunscreens. This is a huge achievement, largely reflecting the work we have done to raise public awareness

Leading microbiologists backed our calls for caution on nano-silver

In September 2011, we released a joint report with FoE US on the risks associated with the use of nano-silver in consumer products. The report was based on interviews with leading microbiologists, and called for the government to restrict the use of nano-silver in consumer, industrial and environmental products.

The report has received widespread international acclaim within the medical and academic community, contributing to growing calls from groups in Europe and the US to restrict the use of nano-silver in our homes.

The Australian Society of Microbiology has also emerged as a key ally in our campaign for the proper regulation of nano-silver, with leading Australian microbiologists publicly supporting the report's findings.

Advocacy for the public interest in emerging nanotechnology debate here and overseas

Campaign representatives spoke at high level conferences, including a Nanoregulation Symposium organised by Australia's chemical regulators, the International Conference on Nanoscience and Nanotechnology, the annual OHS conferences of the Australian Education Union, Safe Work Tasmania, and the Shop, Distributive and Allied Employees. Georgia Miller also gave invited presentations to a Norwegian emerging technologies research institute on nanotechnology's environmental impacts, and to a Brazilian conference on the application of nanotechnology in food and agriculture.

Georgia continued her role on the Federal Government's Stakeholder Advisory Council on emerging technologies and instigated an independent review of National Enabling Technology

Strategy's Public Awareness and Community Engagement materials for bias and inaccuracy.

We continued our direct lobbying and ongoing communication with relevant Ministers and regulators. This included the delivery of hundreds of our nano-sunscreen safety postcards to the new Health Minister Tanya Plibersek. These called for the mandatory labelling and safety testing of nano-ingredients.

Movement building

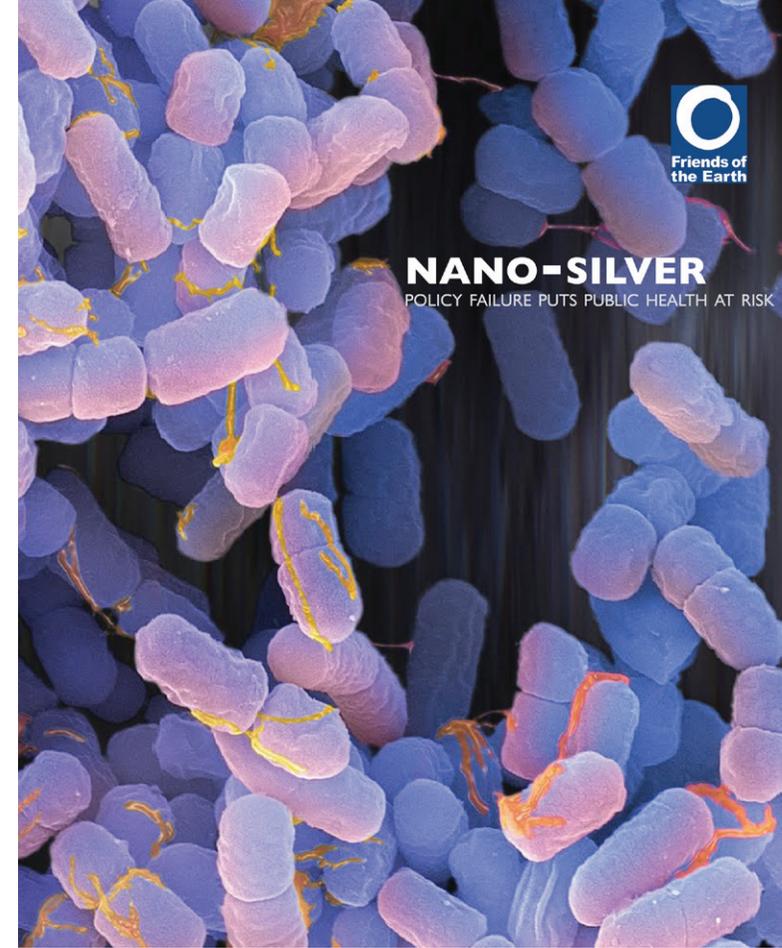
We continued to play a key role in movement building, supporting allies to develop policy, materials and campaigns for precautionary management of nanotechnology. We have also developed some new collaborative projects with other NGOs and think tanks, including our work with The Australia Institute on nano-silver. Campaign representatives spoke at a variety of community forums and festivals and NGO meetings.

We organised and facilitated a meeting of European NGOs to form better alliances and coordinate strategic planning on the issues surrounding the use of nanotechnology.

Regulatory input

We continued to put pressure on Australian regulators to properly regulate and label nanotechnology. Our Freedom Of Information request regarding the Therapeutic Goods Administration (TGA) revealed that the agency had an anti-labelling stance and absolutely no documents on the risks of nano technology – demonstrating a large gap in regulatory oversight.

We contributed to the development of regulation both in Australia and overseas. In the past year FoE has provided regulatory input to the Australian Government's National Industrial Chemicals Notification and Assessment Scheme (NICNAS) and its National Enabling Technologies Strategy (NETS).



We also contributed to the UN's Strategic Approach to International Chemicals Management (SAICM), with the Swiss Government drawing heavily on FoE's materials in its published overview of the nanotoxicology literature.

While Georgia was in Europe last year she lobbied high level bureaucrats from different sections of the European Commission – environment, enterprise (industry), health, and research. Many of them were familiar with FoE Australia's work and had read our reports. While the recent moves in Europe to regulate nanoparticles in cosmetics and sunscreen, and in biocidal (antibacterial) products reflect the work of many of our allies, we have made a strong contribution to the European risk debate.



Chain Reaction

Chain Reaction is the national magazine of FoE Australia. Three editions are produced each year. Chain Reaction is produced by an editorial team comprised of active FoE campaigners, with support from an Advisory Board.

In the 2011-12 financial year the following three issues were produced:

#112: feature on the Fukushima disaster

#113: technology, democracy and equity

#114: the Murray Darling Basin

<http://foe.org.au/chain-reaction>

Working in our region

Over the past few years Friends of the Earth International has increased its focus on member groups building collaboration at the regional level.

Our region is the Asia Pacific (APac), with 13 FoE member groups spread between Palestine, Sri Lanka, Australia, up to Japan and across to Nepal. A regional council appointed by the member groups helps co-ordinate action and communication within the region. Our member group in Indonesia acts as secretariat. We have sought to increase our level of collaboration on energy, forestry and climate issues over the past year.

We must note the work of Natalie Lowrey and Derec Davies in particular for their commitment to developing the FoE Asia Pacific network.

Our international work

As part of an international federation active in 77 countries, FoE Australia often seeks funding from Australian sources in order to support projects by FoE groups in other parts of the world. These sources include government programs, donations from members of the public and support from Australian-based philanthropic foundations. In many instances, FoEA simply acts to connect potential donors with worthwhile projects in the global South, meaning funds raised do not appear in our accounts. This saves on administration costs within Australia, thereby maximising the effectiveness of donations or other support received.

In the case of funds provided through Australian government programs, these allocations are managed through the FoE Australia accounts to ensure reporting to Australian government standards.

All FoE International member groups must ensure effective management of funds received and appropriate reporting. This is overseen by the FoE International executive committee and the FoE International secretariat, based in Amsterdam.

FoE Australia is active in a range of the FoE International campaigns. In particular we must note the efforts of Marisol Salinas, Tully Starr and Derec Davies, who have acted as our International Liaison Officers.

Our affiliate members whose work is focused overseas

FoEA has a number of affiliate groups and projects that support grassroots and community-based projects in the global South.

Deep sea mining campaign

Canadian mining company Nautilus Minerals Inc. (Nautilus) is set to embark on the unprecedented extraction of metals from the sea floor. The mining project, known as the Solwara 1 project, will extract gold and copper from the floor of the Bismarck Sea in Papua New Guinea. It is the first of a potentially large number of deep sea mining (DSM) projects within the Bismarck Sea and wider Pacific Region.

Being the world's first commercial DSM operation, there is a high level of uncertainty about the risks posed to marine environments and communities. What is certain is that impacts will be associated with each step of the mining process.

The development of regulatory frameworks for DSM is a priority before the deep sea meets with the 'gold rush' that is set to ensue. Such frameworks must incorporate the voice and concerns of communities and civil society representatives, must mandate full prior and informed consent (FPIC) from communities, and must be based on rigorous and independently validated studies of the environmental, cultural, economic, health and social impacts of any proposed project. Furthermore, cumulative effects must be considered in regard to each of these dimensions as each individual project seeks approval.

This project is operating in conjunction with FoE Australia and has a campaign Steering Committee comprised of representatives of three PNG based NGOs: ENBSEK, MAKATA Sea Turtle Rescue Program and CELCOR (FoE PNG), as well as Mining Watch Canada and Oxfam Australia.

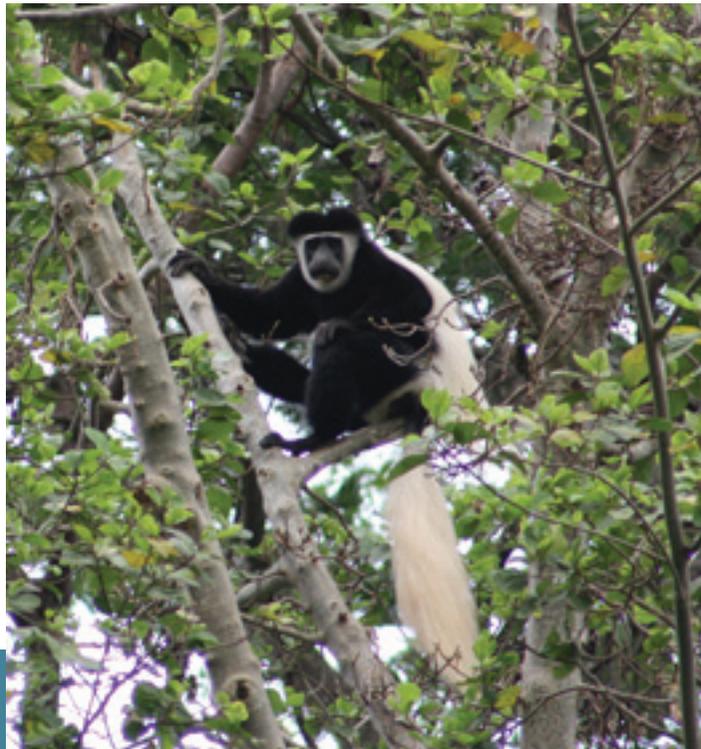
Mukwano Australia

The Mukwano Australia project supports the Katuulo Organic Pineapple Cooperative to build, staff and maintain a health care centre in Katuulo, a remote rural community in Uganda. The health care centre will be accessed by twenty-five organic farm families who are members of the cooperative, as well as hundreds of people from the surrounding community.

Tulele Peisa — “sailing the waves on our own”

Tulele Peisa — “sailing the waves on our own” is a local community organisation in Papua New Guinea that is working to relocate the whole island community of the Carterets to nearby Bougainville because of the impacts of climate change. It was established by Ursula Rakova to help negotiate and facilitate the movement of the Carterets community.

Further information: <http://tuelepeisa.org/>



Thin Green Line

Although TGL is not an affiliate of FoEA, over the past year, we have worked with the Australian contact to raise funds to support the families of Park rangers killed while on duty, and prevent further ranger deaths, on the frontline of conservation around the world.

Further information:

<http://www.thingreenline.info/>



THE ORGANISATION IN 2011/2012

Organisational milestones

- we must thank Mara Bonacci for her many years of work as finances manager for FoEA. She has now left FoE to go travelling
- John MacKenzie retired from active involvement of many years with FoE Brisbane
- Jonathan La Nauze spent more than 10 years as a volunteer and member of staff, working on the Barmah Millewa and then national Murray Darling campaign. He has recently moved to a campaign position at the ACF
- Beth Cameron and Cam Walker celebrated 21 years of working at FoE

Network development

FoE Australia grew in 2011/12, with a strengthening of our on-ground overseas campaign work. The deep sea mining campaign, driven by long term FoE campaigner Natalie Lowrey and Helen Rosenbaum, is working to ensure that the practice of deep sea mining and disposal of mining tailings does not become established in our region.



FoE's environmental performance

Since its creation in 1974, FoE Australia has always pioneered thinking and practises that link personal and collective behaviour with good environmental outcomes. FoE has always sought to incorporate sustainable behaviour into our work – to 'walk the talk', often long before such action has become mainstream. In the 1970s this was as simple as promoting renewable technology, placing solar hot water systems on our buildings, using 'ecolabels' so envelopes could be recycled and promoting 'no junk mail' stickers. All these are now considered mainstream activities.

We also developed a number of community businesses which pioneered a low impact approach from their creation. A bulk food store set up in Melbourne in the 1970s composts all vegetable waste for reuse in food production, and has such high recycling rates that it continues to produce waste in only one 60 L rubbish bin a week. Our new not for profit grocery store, The Pantry, based at the South Melbourne Commons, is a local example of a small business operating on best practice guidelines in order to reduce environmental impact and waste.

In recent years we have sought to formalise some of our actions through the creation of policy aimed at reducing the carbon and resource footprint of our campaigns and business operations. Apart from supporting green power, using non CCA treated timber, 100% post consumer waste paper and maintaining stringent recycling systems in our offices we encourage the use of public transport wherever possible for intra and inter city travel. Our magazines and all other public materials are published on post consumer waste and bagasse sourced paper.

GLOBAL CONTEXT AND CONNECTIONS

Friends of the Earth Australia is the national member of Friends of the Earth International (FoEI), which is the world's largest federation of national environmental organisations. Friends of the Earth International now has 77 member countries and 15 affiliate groups representing more than 2 million people. This means that Friends of the Earth's impact and solutions can be felt globally.

FoE International mission

- To collectively ensure environmental and social justice, human dignity, and respect for human rights and peoples' rights so as to secure sustainable societies.
- To halt and reverse environmental degradation and depletion of natural resources, nurture the earth's ecological and cultural diversity, and secure sustainable livelihoods.
- To secure the empowerment of indigenous peoples, local communities, women, groups and individuals, and to ensure public participation in decision making.
- To bring about transformation towards sustainability and equity between and within societies with creative approaches and solutions.
- To engage in vibrant campaigns, raise awareness, mobilize people and build alliances with diverse movements, linking grassroots, national and global struggles.
- To inspire one another and to harness, strengthen and complement each other's capacities, living the change we wish to see and working together in solidarity.

FoEI has a democratic structure with autonomous national groups which comply with the guidelines established by the federation. FoEI member groups are united by a common conviction that these aims require both strong grassroots activism and effective national and international campaigning and coordination. They see Friends of the Earth International as a unique and diverse forum to pursue international initiatives, taking advantage of the varied backgrounds and perspectives of its members.

More information about the work of FoE groups around the world and copies of the FoEI annual report can be found at: <http://www.foei.org>

Details on the FoE I Executive Committee (ExCom) is available at: <http://www.foei.org/about/excom.html>



Partners and alliances

FoEA places considerable emphasis on working in alliances with other progressive sectors of Australian society and is currently a member of the following networks and organisations:

- The Antarctic and Southern Ocean Coalition <http://www.asoc.org/>
- The Australian Council for International Development (ACFID);
- Australian Environment Network
- Australian Fair Trade and Investment Network (AFTINET);
- Fairtrade Australia New Zealand
- The Boomerang Alliance. The Alliance is made up of Australia's leading environment groups, is committed to work for zero waste in Australia. <http://www.boomerangalliance.org/>
- The Refugee Council of Australia;
- Australians for Just Refugee Programs;
- Inland Rivers Network (IRN is a grouping of environmental organisations, including the Australian Conservation Foundation, Nature Conservation Council of NSW, National Parks Association and FoE);
- The Lock the Gate Alliance
- The Futures Forum (a grouping of national and state-based environmental groups).
- FoE acts as the secretariat for the Australian Nuclear Free Alliance

What makes us unique

- Our federation structure means that local groups work in ways that are most appropriate to their local circumstances
- our grassroots and strong volunteer basis means we are able to work effectively with a vast range of groups and community groups
- FoE is acknowledged as being the leanest of the large environmental groups in terms of minimising administration costs and overheads
- we have strong regional and global connections through the FoE International network
- FoE acts as a training ground for many emerging campaigners
- we bring a strong human rights perspective to all our campaigns
- FoE continues to respond to emerging issues and popularise them well before the rest of the environment movement. The most recent example of this is our strong campaign on nanotechnology.



How we work

We are a national federation of groups that works through community engagement, education and mobilisation. We have a strong focus on working in alliances with others in the environmental and social justice movements and with organisations in the broader community. In recent years we have developed stronger links with communities and organisations in regional Australia. We engage in advocacy, and support community mobilisations and peaceful direct action in appropriate circumstances.

We manage a range of not for profit social enterprises, including an organic cafe, bookstore, food co-operative, the Pantry grocery store, and 'Reverse Garbage' enterprise, which finds commercial uses for materials which would otherwise go to landfill.

We are politically non-aligned and seek to develop working relations with a range of Parties, businesses and others in civil society.

FoE Australia structure and governance

FoE Australia is composed of independent member groups. Each group is self-managing in terms of its campaigns, decision making structures and fundraising and needs to meet certain membership criteria. These are assessed on an annual basis. In addition to their local work, groups co-operate on specific campaigns at an appropriate and sustainable level.

Communication between local groups is facilitated by the National Liaison Officers. FoE Melbourne currently hosts the national liaison office. Kristy Walters and Cam Walker have acted as the NLOs over the past year.

A Committee of Management is appointed at the AGM and has strategic oversight for finances, governance, and legal issues.

The International Liaison Officers are responsible for communication between FoE Australia and FoE International (FoEI). Over the past year, the ILOs have been Derec Davies, Tully McIntyre and Marisol Salinas.

National spokespeople are nominated by local groups and are approved to speak on behalf of FoE Australia on specific issues. The regional contacts represent the FoE network in areas where there are currently no local groups.

Decisions are made at two national meetings which are generally held in January and August. Various communication structures keep groups informed during the year. FoEA places great value on participatory decision making systems and internal information sharing.

Friends of the Earth Australia Committee of Management

CoChairs:	Alyssa Vass (Melbourne) and Jim Green (Melbourne)
Secretary:	Kim Stewart (Brisbane)
Treasurer:	Melissa Slattery (Melbourne)
General Member and Public Officer:	Sam Castro (Melbourne)
General Member:	Hugh Callaway (Adelaide)

FINANCIAL REPORT 2012

These figures represent the financial statements of Friends of the Earth Australia.

Friends of the Earth Australia's administrative functions are hosted by, and receive substantial logistical and in-kind support from FoE Melbourne, including the part time allocation of one staff member to national functions. The finance manager at FoE Melbourne manages the national accounts. This keeps overhead costs extremely

low. In particular, almost all costs associated by processing donations for overseas work is absorbed by the office budget of FoE Melbourne, ensuring an absolute minimum of funds donated for overseas projects are used for administration.

The following is a summary of the financial report for Friends of the Earth Australia for 2011-12. Copies of the full audited financial report are available upon request.

Income Statement for year ending 30 June 2012

INCOME	
Advertising	\$480.00
Publishing Income	\$18,642.91
Subscription	\$1,456.01
Donations	\$97,648.00
Campaign Income	\$39,796.97
Grant Income	\$274,143.63
Grant Income - GVEHO	\$5,000.00
Bank Interest	\$6,207.39
Miscellaneous Income	\$50,613.16
Administration Income	\$32,101.25
Legacies and Bequest	-
Fundraising	\$546.83
Pantry Sales	\$89,534.54
Total Income	\$616,170.69

EXPENDITURE	
Grant Expenditure	\$7,164.32
Publishing Cost	\$13,791.38
Wages and Assoc. Cost	\$349,717.35
Administration Expenses	\$160,287.84
Subscriptions	\$6,392.77
Telephone and Fax	\$6,041.87
Campaigning Cost	\$26,638.99
Bank Charges & Fees	\$2,728.82
Consultants	\$63,922.31
Insurance	\$7,542.93
National Meeting Expenditure	\$2,027.10
Professional Fees - (Incl. Audit Fees)	\$7,940.79
Donations Expenditure	\$31,835.16
Travel Cost	\$23,874.05
Miscellaneous Expenses	\$40,532.11
Depreciation	\$2,143.83
Cost of Goods Sold	\$52,342.15
Bad Debts	\$12,180.41
Total Expenditure	\$817,104.18
SURPLUS/(DEFICIT) FOR THE YEAR	-\$200,933.49

Balance Sheet for year ending 30 June 2012

ASSETS	
CURRENT ASSETS	
Cash on Hand and at Bank	\$314,615.36
Short-Term Bank Deposits	\$55,415.11
Trade & Sundry Debtors	\$69,593.64
Inventories	\$12,099.83
TOTAL CURRENT ASSETS	\$451,723.94
NON-CURRENT ASSETS	
Plant and Equipment	\$12,928.94
TOTAL NON-CURRENT ASSETS	\$12,928.94
TOTAL ASSETS	\$464,652.88
LIABILITIES	
CURRENT LIABILITIES	
Payables	\$194,273.54
Grants/Income received in advance	\$200,000.00
Employee Provisions	\$0.00
TOTAL CURRENT LIABILITIES	\$394,273.54
NON-CURRENT LIABILITIES	
TOTAL NON-CURRENT LIABILITIES	\$0.00
TOTAL LIABILITIES	\$394,273.54
NET ASSETS	\$70,379.34
RETAINED SURPLUS	
Opening Retained Surplus	\$271,312.83
Surplus/(Deficit) for the Year	(\$200,933.49)
TOTAL SURPLUS	\$70,379.34

FINANCIAL REPORT 2012



Statement of Changes in Retained Surplus

	Retained surplus	Other reserve	Total
Balance as at 1 July 2010	\$350,124.92	\$0.00	\$350,124.92
Surplus/(Deficit) for the Year attributable to members	(\$78,812.09)	\$0.00	(\$78,812.09)
Transfer to/(from) during the year	\$0.00	\$0.00	\$0.00
Balance as at 30 June 2011 / 1 July 2011	\$271,312.83	\$0.00	\$271,312.83
Surplus/(Deficit) for the Year attributable to members	(\$200,933.49)	\$0.00	(\$200,933.49)
Total other comprehensive income for the year	\$0.00	\$0.00	\$0.00
Transfer to/(from) during the year	\$0.00	\$0.00	\$0.00
Balance as at 30 June 2012	\$70,379.34	\$0.00	\$70,379.34

Statement of Cash Flows for the Year ended 30 June 2012

Cash Flows from Operating Activities	
Merchandise and Publishing Income	\$19,122.91
Payments to Suppliers	(\$25,891.21)
Subscription receipts	\$1,456.01
Administration income	\$32,101.25
Administration expenditure	(\$131,663.12)
Donations receipts	\$97,648.00
Bank interest	\$6,207.39
Bank charges	(\$2,728.82)
Miscellaneous receipts	\$50,613.16
Subscriptions expenditure	(\$6,392.77)
Wages and associated payments	(\$349,717.35)
Other miscellaneous payments	(\$151,881.16)
Grant receipts	\$348,564.31
Grant expenditure	(\$7,164.32)
Project/Campaign Costs	(\$26,638.99)
Donations Expenses	(\$31,835.16)
Campaign Income	\$39,796.97
Legacies and Bequest	\$0.00
Fundraising receipts	\$546.83
Fundraising payments	(\$52,342.15)
Royalties receipts	\$89,534.54
Net cash provided / (used) by Operating Activities	(\$100,663.68)
Cash Flows from Investing Activities	
Plant & Equipment Purchases	(\$7,926.63)
Proceeds on Sale of Plant & Equipment	\$0.00
Net cash provided / (used) in Investing Activities	(\$7,926.63)
Cash Flows from Financing Activities	
Proceeds from borrowing's	\$0.00
Repayment of borrowing's	\$0.00
Net cash provided / (used) in Financing Activities	\$0.00
Net Increase/(Decrease) in cash held	(\$108,590.31)
Cash at the Beginning of the Financial Year	\$478,620.78
Cash at the end of the Financial Year	\$370,030.47

ACFID Code of Conduct Compliance

FoE Australia is a signatory of the ACFID Code of Conduct. This is a Code that sets out standards on how organisations are managed, how they communicate with the public, and how they spend the funds they raise.

Further details on the code are available at:
www.acfid.asn.au/code/code.htm

International aid and development activities 2011-12

REVENUE	
Donated funds	\$1,015
Grants	\$27,344
Other Income (fundraising)	\$91
Total Revenue	\$28,450
Expenses	
Overseas Projects	\$4,800
Community Education	\$0
Consulting / Advocacy	\$17,670
Administration	\$3,578
Total Expenses	\$26,048
Surplus / (Deficit)	\$2,402

Project Name	Cash at start of year	Cash raised during year	Cash disbursed during year	Cash at end of year	Comments
Tulele Peisa	\$5,825.00	\$330.91	\$4,827.14	\$1,328.77	FoEA is supporting Tulule Peisa, a local community organisation in Papua New Guinea that is trying to relocate the whole island community off the Carterets to nearby Bougainville because of the impacts of climate change.
Ride Planet Earth	\$20.00	\$0.00	\$0.00	\$20.00	FoE Australia is supporting Kim Nguyen to ride from Australia to Copenhagen, raising awareness about climate change and collecting messages from communities of the Developing World affected by climate change.
In Our Nature	\$0.00	\$775.00	\$750.00	\$25.00	FoE Australia is supporting In Our Nature with work on the Kitobo Colobus Project. Located in southern Kenya, Kitobo Forest is made of around 160 acres of tropical rainforest. In Our Nature work to support the community's efforts to preserve the forest and the community itself.
Deep Sea Mining - Papua New Guinea	\$0.00	\$27,344.00	\$21,220.84	\$6,123.16	FoE Australia is supporting the DSM project's research into the high level of uncertainty about the risks posed to marine environments and communities from Deep Sea Mining efforts. The mission of this project is to develop an active, broad-based and informed Civil Society response to DSM in the Pacific region.
Remaining Funds				\$7,496.93	

Statement by Members of the Committee

In the opinion of the members of the committee the financial report:

- Represents a true and fair view of the financial position of Friends of the Earth (Australia) Inc as at 30 June 2012 and its performance for the year ended on that date in accordance with the Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
- At the date of this statement, there are reasonable grounds to believe that Friends of the Earth (Australia) 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:



Collingwood, Victoria



Supporters

FoE Australia gratefully acknowledges the many members and supporters who support our local groups and national campaigns.

We want to thank the following for their support:

Specific projects

Australian Nuclear Free Alliance: Newcastle University Student Union, Poola Foundation (Tom Kantor Fund)

The Barmah Millewa Collective would like to thank Australian Communities Foundation, Reichstein Foundation and Australian Geographic for their generous support of our projects and campaigns in 2011-12, and also a number of anonymous individual donors

Deep sea mining project:
Bischofliches Hilfswerk MISEREOR

The nanotechnology project also acknowledges the numerous generous individuals who made private donations.

South Melbourne Commons:
City of Port Phillip, Dave West, Sustainability Victoria

Our bequest program

Thank you to our many members who have let us know that they are including FoE in their wills. Every gift, whether large or small, makes a real difference. If you would like further information on remembering FoE in your will, see <http://www.foe.org.au/about-us/bequest> or call Justin Butler in the Melbourne office: 03 9419 8700 (ext 23) or toll free 1300 852 081

Grant allocations were received from the following

Australian Communities Foundation

Boomerang Alliance

Environment, Water, Heritage & the Arts:
GVEHSO program administrative support

DFACS (SA):

Community Outreach, West Mallee Protection

Global Green Grants

Friends of the Earth International

Planet Ark

Tides Foundation/ Patagonia Australia

Witherfield Station

In kind support:

We would like to acknowledge all the individuals and organisations who have supported FoEA through in-kind support such as donation of time, skills and food for our campaigns and projects over the 2011/12 financial year.

In particular we have received great support from the law firm Middletons, who have provided substantial pro bono support and advice.

We must thank the hundreds of people who donated many thousands of hours of time to renovate the Commons building in South Melbourne. This includes corporate volunteers from NAB and ANZ. We thank Meg Ivory and Dave West, who worked as project managers at the Commons..

FoE Australia Campaigns Team & Contacts

FoE has groups in Adelaide, Bridgetown (WA), Brisbane, Kuranda (Qld), Melbourne, South West WA, and Sydney. FoE has offices in Adelaide, Brisbane, and Melbourne.



Affiliate members:

- Reverse Garbage (Brisbane) is a not-for-profit workers' co-operative in Brisbane that collects high quality industrial discards, diverting them from landfill to sell them at low cost to the general public.
<http://www.reversegarbage.com.au/>
- Food Irradiation Watch (Brisbane). Food Irradiation Watch (FI Watch) is a network of organisations devoted to helping consumers make informed choices about what they eat. We are dedicated to raising consumer awareness of the practice of irradiating food in Australia. FI Watch is concerned about the food safety, social, economic and environmental impacts of irradiation.
<http://www.foodirradiationinfo.org>
- In Our Nature - is a not-for-profit organisation which is working on the Kitobo Colobus Project. Located in southern Kenya near the border with Tanzania, Kitobo Forest is made of around 160 acres of tropical rainforest created by underground water emanating from the melting snows of nearby Mt Kilimanjaro. In our Nature is working to support both the community's efforts to preserve the forest and the community itself.
- Katoomba and Leura Climate Action Now. KLCAN is a group of community members working on climate change issues in the local area of the World Heritage listed Blue Mountains.
- Mukwano – Supporting Health Care in Organic Farming Communities, Uganda
- Sustainable Energy Now. SEN is a grass roots organisation with a vision to demonstrate scenarios for Western Australia to reduce CO2 emissions and pollution in fixed electricity generation, by maximising our use of sustainable

energy. SEN affiliated with FoEA in 2007.

- Tulele Peisa — “sailing the waves on our own” Tulele Peisa is a local community organisation in Papua New Guinea that is trying to relocate the whole island community of the Carterets to nearby Bougainville because of the impacts of climate change. Friends of the Earth is supporting their efforts.
- West Mallee protection. WMP emerged from an alliance between environmentalists and Kokatha Mula people who share concerns and see the need for positive action to protect the outback Ceduna region in South Australia.

FoEA has national campaigns, projects & spokespeople in the following areas:

- anti nuclear and clean energy
- climate change
- nanotechnology
- chemicals and pesticides
- Coal and Coal Seam Gas

CONTACT US

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ACCOUNTANTS & AUDITORS

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INDEPENDENT AUDITOR'S REPORT

To the members of **FRIENDS OF THE EARTH (AUSTRALIA) INC**

Report on the Financial Report

We have audited the accompanying financial report, being a general purpose financial report, of **FRIENDS OF THE EARTH (AUSTRALIA) INC** which comprises the balance sheet as at 30th June 2012, and the income statement, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Report

The management of **FRIENDS OF THE EARTH (AUSTRALIA) INC** is responsible for the preparation and fair presentation of the financial report and has determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, is appropriate to meet the needs of the members. The management's responsibility also includes designing, implementing 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. 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 auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation 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 directors, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the Management's financial reporting requirement. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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 relevant independence requirements.



Chartered Accountants

DIRECTORS
JANET L. COLLYER FCPA
LIONEL R. ARNOLD CA B, BUS
RAELENE LAI CPA B.COM

LIABILITY LIMITED BY A SCHEME APPROVED
UNDER PROFESSIONAL STANDARDS LEGISLATION

Auditor's Opinion

In our opinion the financial report of **FRIENDS OF THE EARTH (AUSTRALIA) INC**

- (a) gives a true and fair view of **FRIENDS OF THE EARTH (AUSTRALIA) INC's** financial position as at 30th June 2012 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1.

Janet Collyer
J L COLLYER & PARTNERS

20th September 2012