

# **Planet Ark Environmental Foundation and Controlled Entity**

**ABN 26 057 221 959**

**Financial Report**

**For the Year Ended 30 June 2020**

# Planet Ark Environmental Foundation and Controlled Entity

ABN 26 057 221 959

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For the Year Ended 30 June 2020

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# Planet Ark Environmental Foundation and Controlled Entity

ABN 26 057 221 959

## Consolidated Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2020

		2020	2019
	Note	\$	\$
Revenue	2	3,418,493	3,168,394
Employee benefits expense	3	(2,140,735)	(1,990,896)
Advertising and campaign promotion expenses		(392,531)	(264,812)
Consultants and professional fees		(196,774)	(174,642)
Computer and IT expenses		(184,840)	(183,551)
Depreciation and amortisation		(129,425)	(9,671)
Travel expenses		(76,738)	(114,119)
Program materials and other direct program costs		(27,574)	(89,911)
Rent and occupancy		(9,905)	(127,656)
Other expenses		(143,737)	(192,483)
<b>Surplus/(deficit) before income tax</b>		<b>116,234</b>	20,653
Income tax expense		-	-
<b>Surplus/(deficit) for the year</b>		<b>116,234</b>	20,653
<b>Total comprehensive income for the year</b>		<b>116,234</b>	20,653

The accompanying notes form part of these financial statements.

# Planet Ark Environmental Foundation and Controlled Entity

ABN 26 057 221 959

## Consolidated Statement of Financial Position As at 30 June 2020

	Note	2020 \$	2019 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	4	1,096,697	827,811
Trade and other receivables	5	726,948	891,850
Other assets	9	210,031	41,198
TOTAL CURRENT ASSETS		<u>2,033,676</u>	<u>1,760,859</u>
NON-CURRENT ASSETS			
Financial assets		30	30
Property, plant and equipment	6	22,409	30,375
Intangible assets	7	1,735	1,735
Right-of-use assets	8	40,487	-
TOTAL NON-CURRENT ASSETS		<u>64,661</u>	<u>32,140</u>
TOTAL ASSETS		<u>2,098,337</u>	<u>1,792,999</u>
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	10	325,062	544,629
Lease liabilities		41,500	-
Short-term provisions	11	265,922	218,024
Other liabilities	12	984,084	676,482
TOTAL CURRENT LIABILITIES		<u>1,616,568</u>	<u>1,439,135</u>
NON-CURRENT LIABILITIES			
Long-term provisions	11	66,397	54,726
TOTAL NON-CURRENT LIABILITIES		<u>66,397</u>	<u>54,726</u>
TOTAL LIABILITIES		<u>1,682,965</u>	<u>1,493,861</u>
NET ASSETS		<u>415,372</u>	<u>299,138</u>
<b>EQUITY</b>			
Retained earnings		415,372	299,138
TOTAL EQUITY		<u>415,372</u>	<u>299,138</u>

The accompanying notes form part of these financial statements.

# Planet Ark Environmental Foundation and Controlled Entity

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## Consolidated Statement of Changes in Equity For the Year Ended 30 June 2020

### 2020

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2019	299,138	299,138
Surplus/(deficit) for the year	116,234	116,234
<b>Balance at 30 June 2020</b>	<b>415,372</b>	<b>415,372</b>

### 2019

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2018	278,485	278,485
Surplus/(deficit) for the year	20,653	20,653
<b>Balance at 30 June 2019</b>	<b>299,138</b>	<b>299,138</b>

The accompanying notes form part of these financial statements.

# Planet Ark Environmental Foundation and Controlled Entity

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## Consolidated Statement of Cash Flows For the Year Ended 30 June 2020

	2020	2019
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from sponsors and donors	3,492,105	3,087,889
Government grants received	594,000	-
Payments to suppliers and employees	(3,709,469)	(3,144,603)
Interest received	15,923	13,661
Interest paid	(3,227)	-
Net cash provided by/(used in) operating activities	19 <u>389,332</u>	<u>(43,053)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment	-	(13,275)
Purchase of intangible assets	-	(1,735)
Net cash provided by/(used in) investing activities	<u>-</u>	<u>(15,010)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Payment of lease liabilities	<u>(120,446)</u>	-
Net cash provided by/(used in) financing activities	<u>(120,446)</u>	-
Net increase/(decrease) in cash and cash equivalents held	268,886	(58,063)
Cash and cash equivalents at beginning of year	<u>827,811</u>	885,874
Cash and cash equivalents at end of financial year	4 <u>1,096,697</u>	<u>827,811</u>

The accompanying notes form part of these financial statements.

# Planet Ark Environmental Foundation and Controlled Entity

ABN 26 057 221 959

## Notes to the Financial Statements For the Year Ended 30 June 2020

### 1 Summary of Significant Accounting Policies

The financial report covers Planet Ark Environmental Foundation ('the Company') and its controlled entity, collectively referred in the financial statements as 'the Group'. Planet Ark Environmental Foundation is a not-for-profit Company limited by guarantee, registered and domiciled in Australia.

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the *Australian Charities and Not-for-profits Commission Act 2012*. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards

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

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar

#### (a) Revenue

##### Revenue from contracts with customers

The company earns revenue through sponsorship and licensing and consulting arrangements. Revenue from contracts with customers is recognised when performance obligations under the contract with each customer have been satisfied.

Sponsorship income for fixed-term sponsorships is recognised on a straight-line basis over the period of the sponsorship agreement. For event based sponsorships, income is recognised at the point-in-time the event is held.

Licensing income for fixed-term licences is recognised on a straight-line basis over the period of the licence agreement. For royalty or commission-based licences, income is generally recognised as the conditions required to obtain the royalty or commission are satisfied.

Consulting and other program income is recognised over time, or at a point-in-time, as the performance obligations contained in the contract are satisfied.

##### *Contract assets and liabilities*

Consideration paid by the customer in advance of the satisfaction of performance obligations is recognised as a contract liability.

Costs incurred in fulfilling a contract in progress (where performance obligations are not yet satisfied) are recognised as a contract cost asset where the costs relate directly to the satisfaction of contract performance obligations and are expected to be recovered.

##### Interest income

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

# Planet Ark Environmental Foundation and Controlled Entity

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## Notes to the Financial Statements For the Year Ended 30 June 2020

### 1 Summary of Significant Accounting Policies

#### (a) Revenue

##### Grants and donations

When the Company receives grants and donations, it assesses whether a contract exists and whether that contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When these conditions are satisfied, the Company:

- identifies each performance obligation relating to the grant or donation;
- recognises a contract liability for its obligations under the contract; and
- recognises revenue as it satisfied its performance obligations.

When the contract is not enforceable or does not have sufficiently specific performance obligations, the grant or donation is recognised immediately in profit or loss.

Government grants under the Australian Government JobKeeper wage subsidy program have been recognised as revenue when the Company became entitled to receive the grants, which was assessed to be the time at which the salary and wages payments for the eligible JobKeeper fortnight were made to eligible employees.

Government grants under the Australian Government cash flow boost initiative have been recognised as revenue the Company became entitled to receive the grants, which was assessed to be the time at which the applicable Activity Statements were lodged with the Australian Taxation Office.

#### (b) Income Tax

The Company is registered as a charity with the Australian Charities and Not-for-profits Commission and is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

The subsidiary of the company is subject to income tax. The tax expense recognised in profit or loss comprises of the current tax expense plus deferred tax expense. There is no tax expense in the current year as the subsidiary has carry-forward tax losses for which a deferred tax asset has not been recognised.

#### (c) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payable are stated inclusive of GST.

Cash flows in the consolidated statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

# Planet Ark Environmental Foundation and Controlled Entity

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## Notes to the Financial Statements For the Year Ended 30 June 2020

### 1 Summary of Significant Accounting Policies

#### (d) Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment.

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

#### Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Group, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

<b>Fixed asset class</b>	<b>Depreciation rate</b>
Office Equipment	6.5% - 40%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

#### (e) Intangibles

##### Patents and trademarks

Patents and trademarks are recognised at cost of acquisition. Patents and trademarks have a finite life and are carried at cost less any accumulated amortisation and any impairment losses.

Patents and trademarks are amortised over their useful life of up to 10 years.

#### (f) Leases

##### Right-of-use asset

At the lease commencement, the Group recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Group believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of non-financial assets accounting policy.

##### Lease liability

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Group's incremental borrowing rate is used.

# Planet Ark Environmental Foundation and Controlled Entity

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## Notes to the Financial Statements For the Year Ended 30 June 2020

### 1 Summary of Significant Accounting Policies

#### (f) Leases

##### Lease liability

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Group's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

##### *Exceptions to lease accounting*

The Group has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Group recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

##### *Comparative year*

In the comparative year, lease payments for operating leases, where substantially all of the risks and rewards remained with the lessor, were charged as expenses on a straight-line basis over the life of the lease term.

#### (g) Impairment of non-financial assets

At the end of each reporting period the Group determines whether there is an evidence of an impairment indicator for non-financial assets. Where an indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated. The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

#### (h) Financial instruments

Financial instruments are recognised initially on the date that the Group becomes party to the contractual provisions of the instrument. On initial recognition, all financial instruments are measured at fair value plus transaction costs.

##### Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

# Planet Ark Environmental Foundation and Controlled Entity

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## Notes to the Financial Statements For the Year Ended 30 June 2020

### 1 Summary of Significant Accounting Policies

#### (h) Financial instruments

##### Financial assets

###### *Classification*

On initial recognition, the Group classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets.

###### *Financial assets at amortised cost*

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Group's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the consolidated statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

###### *Financial assets at fair value through profit or loss*

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

Net gains or losses, including any interest or dividend income are recognised in profit or loss.

###### *Impairment of financial assets*

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

# Planet Ark Environmental Foundation and Controlled Entity

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## Notes to the Financial Statements For the Year Ended 30 June 2020

### 1 Summary of Significant Accounting Policies

#### (h) Financial instruments

##### Financial assets

###### *Trade receivables*

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Group has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Group renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

###### *Other financial assets measured at amortised cost*

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced a significant increase in credit risk, the lifetime losses are estimated and recognised.

##### Financial liabilities

The Group measures all financial liabilities initially at fair value less transaction costs. Subsequently, financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Group comprise trade and other payables and lease liabilities.

#### (i) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments with original maturities of three months or less, which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

#### (j) Employee benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

# Planet Ark Environmental Foundation and Controlled Entity

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## Notes to the Financial Statements For the Year Ended 30 June 2020

### 1 Summary of Significant Accounting Policies

#### (k) Basis for consolidation

The consolidated financial statements include the financial position and performance of controlled entities from the date on which control is obtained until the date that control is lost.

Intragroup assets, liabilities, equity, income, expenses and cashflows relating to transactions between entities in the consolidated entity have been eliminated in full for the purpose of these financial statements. Appropriate adjustments have been made to a controlled entity's financial position, performance and cash flows where the accounting policies used by that entity were different from those adopted by the consolidated entity. All controlled entities have a June financial year end.

A list of controlled entities is contained in Note 16 to the financial statements.

#### (l) Adoption of new and revised accounting standards

The Group has adopted all standards which became effective for the first time during the year ended 30 June 2020. The following significant new accounting standards have been adopted:

##### **AASB 16**

The Group has applied AASB 16 *Leases* retrospectively with the cumulative effect of initially applying AASB 16 recognised on 1 July 2019. In accordance with AASB 16, the comparatives for the 2019 reporting period have not been restated.

The right-of-use asset for the building lease was measured and recognised in the statement of financial position at 1 July 2019 at an amount equal to the lease liability, adjusted by the amount of any prepaid and accrued lease payments previously recognised at 1 July 2019.

The Group's weighted average incremental borrowing rate on 1 July 2019 applied to the lease liabilities was 3.00%. The difference between the undiscounted amount of operating lease commitments at 30 June 2019 of \$213,477, and the discounted operating lease commitments as at 1 July 2019 of \$161,946, was \$51,531, which is due to discounting the operating lease commitments at the Group's incremental borrowing rate, and the exclusion of short-term and low leases that were included in the calculation of operating lease commitments at 30 June 2019.

##### **AASB 15 and AASB 1058**

The Group has applied AASB 15 *Revenue from Contracts with Customers* and AASB 1058 *Income of Not-for-Profit Entities* using the cumulative effective method of initially applying AASB 15 and AASB 1058 as an adjustment to the opening balance of equity at 1 July 2019. Therefore, the comparative information has not been restated and continues to be presented under AASB 118 *Revenue* and AASB 1004 *Contributions*.

No adjustment has been made to equity as at 1 July 2019, as the cumulative effect of initial application of AASB 15 and AASB 1058 was assessed to be immaterial.

# Planet Ark Environmental Foundation and Controlled Entity

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## Notes to the Financial Statements For the Year Ended 30 June 2020

### 2 Revenue

	2020	2019
	\$	\$
Revenue from contracts with customers:		
- Sponsorship income	2,023,043	1,993,528
- Royalties and licensing income	658,311	637,847
- Consulting and other program income	326,811	413,626
	<u>3,008,165</u>	<u>3,045,001</u>
Revenue from other sources:		
- Government grants (JobKeeper)	216,000	-
- Government grants (Cash flow boost)	50,000	-
- Philanthropic grants	60,000	85,000
- Donations	68,405	24,732
- Interest income	15,923	13,661
	<u>410,328</u>	<u>123,393</u>
<b>Total Revenue</b>	<u><b>3,418,493</b></u>	<u><b>3,168,394</b></u>

### 3 Employee benefits expense

Employee benefits provided	2,242,722	1,990,896
Employee benefits capitalised as contract cost assets	(101,987)	-
	<u>2,140,735</u>	<u>1,990,896</u>

### 4 Cash and Cash Equivalents

Cash at bank	<u>1,096,697</u>	<u>827,811</u>
	<u><b>1,096,697</b></u>	<u><b>827,811</b></u>

### 5 Trade and Other Receivables

CURRENT		
Trade receivables	737,948	902,850
Provision for impairment	(11,000)	(11,000)
	<u>726,948</u>	<u>891,850</u>

#### Impairment of receivables

Reconciliation of changes in the provision for impairment of receivables is as follows:

Balance at beginning of the year	11,000	11,000
Additional impairment loss recognised	-	-
<b>Balance at end of the year</b>	<u><b>11,000</b></u>	<u><b>11,000</b></u>

# Planet Ark Environmental Foundation and Controlled Entity

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## Notes to the Financial Statements For the Year Ended 30 June 2020

### 6 Property, plant and equipment

	2020	2019
	\$	\$
Office equipment		
At cost	47,809	47,809
Accumulated depreciation	(25,400)	(17,434)
Total office equipment	22,409	30,375
<b>Total property, plant and equipment</b>	<b>22,409</b>	<b>30,375</b>

#### Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Office Equipment	Total
	\$	\$
Balance at the beginning of year	30,375	30,375
Depreciation expense	(7,966)	(7,966)
<b>Balance at the end of the year</b>	<b>22,409</b>	<b>22,409</b>

### 7 Intangible Assets

	2020	2019
	\$	\$
Patents and trademarks		
At cost	1,735	1,735
Net carrying value	1,735	1,735
<b>Total Intangibles</b>	<b>1,735</b>	<b>1,735</b>

### 8 Leases

#### Right-of-use assets

	Buildings	Total
	\$	\$
Balance at the beginning of the year	-	-
Recognised on initial application of AASB 16 on 1 July 2019	161,946	161,946
Depreciation expense	(121,459)	(121,459)
<b>Balance at the end of the year</b>	<b>40,487</b>	<b>40,487</b>

# Planet Ark Environmental Foundation and Controlled Entity

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## Notes to the Financial Statements For the Year Ended 30 June 2020

### 9 Other Assets

	2020	2019
	\$	\$
CURRENT		
Prepayments	28,093	6,693
Contract cost assets	147,433	-
Security deposit	34,505	34,505
	<u>210,031</u>	<u>41,198</u>

### 10 Trade and Other Payables

CURRENT		
Trade payables	88,595	61,726
GST, PAYG and FBT payable	112,543	372,188
Sundry creditors and accrued expenses	123,924	110,715
	<u>325,062</u>	<u>544,629</u>

### 11 Provisions

CURRENT		
Employee benefits	265,922	218,024
	<u>265,922</u>	<u>218,024</u>
NON-CURRENT		
Employee benefits	66,397	54,726
	<u>66,397</u>	<u>54,726</u>

### 12 Other Liabilities

CURRENT		
Contract liabilities (unearned income)	984,084	676,482
	<u>984,084</u>	<u>676,482</u>

### 13 Leasing Commitments

#### Operating leases

Minimum lease payments under non-cancellable operating leases:

- not later than one year	-	147,073
- between one year and five years	-	66,404
	-	<u>213,477</u>

# Planet Ark Environmental Foundation and Controlled Entity

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## Notes to the Financial Statements For the Year Ended 30 June 2020

### 14 Members' Guarantee

The Company is incorporated under the *Australian Charities and Not-for-profits Commission Act 2012* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$ 100 each towards meeting any outstandings and obligations of the Company.

### 15 Financial Risk Management

The Group's financial instruments consist mainly of deposits with banks, accounts receivable and accounts payable. The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements are as follows:

	2020	2019
	\$	\$
<b>Financial assets</b>		
Financial assets at amortised cost		
Cash and cash equivalents	1,096,697	827,811
Trade and other receivables	726,948	891,850
<b>Total financial assets</b>	<b>1,823,645</b>	<b>1,719,661</b>
<b>Financial liabilities</b>		
Financial liabilities at amortised cost		
Trade payables	88,595	61,726
Sundry creditors and accrued expenses	123,924	110,715
Lease liabilities	41,500	-
<b>Total financial liabilities</b>	<b>254,019</b>	<b>172,441</b>

### 16 Interests in Subsidiaries

#### Composition of the Group

	Principal place of business / Country of Incorporation	Percentage Owned (%)* 2020	Percentage Owned (%)* 2019
<b>Parent:</b>			
Planet Ark Environmental Foundation Limited	Australia		
<b>Subsidiaries:</b>			
Planet Ark Environmental Solutions Pty Ltd	Australia	100	100

\*The percentage of ownership interest held is equivalent to the percentage voting rights for all subsidiaries.

# Planet Ark Environmental Foundation and Controlled Entity

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## Notes to the Financial Statements For the Year Ended 30 June 2020

### 17 Related Parties

#### Transactions with related parties

The following transactions occurred with related parties:

Consulting fees (excluding GST) of \$52,200 were incurred with director related entities during the year (2019: \$53,860) for specialist services not connected to services performed in the capacity of a director.

### 18 Key Management Personnel Remuneration

The total remuneration paid or payable to key management personnel of the Company and the Group was \$ 488,903 (2019: \$ 534,783).

### 19 Cash Flow Information

#### Reconciliation of result for the year to cashflows from operating activities

	2020	2019
	\$	\$
Surplus/(deficit) for the year	116,234	20,653
Non-cash flows in result:		
- depreciation	129,425	9,671
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	164,902	(397,526)
- (increase)/decrease in other assets	(168,833)	(6,333)
- increase/(decrease) in income in advance	307,602	24,702
- increase/(decrease) in trade and other payables	(219,567)	266,461
- increase/(decrease) in provisions	59,569	39,319
Cashflows from operations	<u>389,332</u>	<u>(43,053)</u>

### 20 Events after the end of the Reporting Period

Since March 2020, the Australian economy has been significantly impacted by the disruption caused by the COVID-19 pandemic. The Group has continued to operate since this time, with staff working from home where necessary. The Group has received the JobKeeper wage subsidy covering the original stage of the program, which ran until the end of September 2020, as well as the JobKeeper extension through to the end of December 2020. This government support was able to substantially offset the impact of declines in other operating revenue streams. As such, the directors are satisfied that the impact of this disruption does not represent a significant risk to the Group's ability to continue to operate as a going concern.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

# **Planet Ark Environmental Foundation and Controlled Entity**

ABN 26 057 221 959

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2020**

### **21 Statutory Information**

The registered office and principal place of business of the company is:

Planet Ark Environmental Foundation

Suite 1802, 323 Castlereagh Street

Sydney NSW 2000

# Planet Ark Environmental Foundation and Controlled Entity

ABN 26 057 221 959

## Directors' Declaration

The directors declare that in the directors' opinion:

- there are reasonable grounds to believe that the Group is able to pay all of its debts, as and when they become due and payable;
- the financial statements give a true and fair view of the Group's financial position as at 30 June 2020 and of its financial performance for the year then ended in accordance with Australian Accounting Standards - Reduced Disclosure Requirements; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Director ..... 

Director ..... 

Date: 12/5/21

## **Planet Ark Environmental Foundation and Controlled Entity**

ABN 26 057 221 959

### **Auditor's Independence Declaration to the Directors of Planet Ark Environmental Foundation and Controlled Entity and Controlled Entities**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2020, there have been:

- (i) no contraventions of the auditor independence requirements as set out in section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



**Saward Dawson**



Jeffrey Tulk  
Partner

Blackburn

Date: 24 May 2021

## **Planet Ark Environmental Foundation and Controlled Entity**

ABN 26 057 221 959

### **Independent Audit Report to the members of Planet Ark Environmental Foundation and Controlled Entity**

#### **Opinion**

We have audited the financial report of Planet Ark Environmental Foundation and Controlled Entity (the Group), which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the financial report of Planet Ark Environmental Foundation and Controlled Entity has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the Group's financial position as at 30 June 2020 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

#### **Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

#### **Responsibilities of Directors for the Financial Report**

The directors of the Group are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the ACNC Act, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Group's financial reporting process.

## **Planet Ark Environmental Foundation and Controlled Entity**

ABN 26 057 221 959

### **Independent Audit Report to the members of Planet Ark Environmental Foundation and Controlled Entity**

#### **Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

## **Planet Ark Environmental Foundation and Controlled Entity**

ABN 26 057 221 959

### **Independent Audit Report to the members of Planet Ark Environmental Foundation and Controlled Entity**

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



**Saward Dawson**



Jeffrey Tulk  
Partner

Blackburn

Date 24 May 2021