

Planet Ark Environmental Foundation and Controlled Entity

ABN 26 057 221 959

Financial Report

For the Year Ended 30 June 2019

Planet Ark Environmental Foundation and Controlled Entity

ABN 26 057 221 959

Contents

For the Year Ended 30 June 2019

	Page
Consolidated Statement of Profit or Loss and Other Comprehensive Income	1
Consolidated Statement of Financial Position	2
Consolidated Statement of Changes in Equity	3
Consolidated Statement of Cash Flows	4
Notes to the Financial Statements	5
Directors' Declaration	15
Auditor's Independence Declaration	16
Independent Audit Report	17

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 2019

	2019	2018
	\$	\$
Revenue		
Sponsorship income	1,518,528	1,498,601
Licensing income	1,526,473	994,125
Government grant income	85,000	30,000
Sundry income	38,393	43,492
	<u>3,168,394</u>	<u>2,566,218</u>
Expenses		
Employee benefits expense	(1,990,896)	(1,626,956)
Advertising and promotional expenses	(264,812)	(249,871)
Computer and IT expenses	(183,551)	(174,812)
Consultants and professional fees	(174,642)	(32,905)
Rent and occupancy	(127,656)	(156,166)
Travel expenses	(114,119)	(76,258)
Program expenses	(89,911)	(14,682)
Depreciation and amortisation	(9,671)	(7,763)
Other expenses	(192,483)	(129,011)
	<u>(3,147,741)</u>	<u>(2,468,424)</u>
Surplus/(deficit) before income tax	20,653	97,794
Income tax expense	-	-
Surplus/(deficit) for the year	20,653	97,794
Total comprehensive income for the year	20,653	97,794

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 2019

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	827,811	885,874
Trade and other receivables	3	891,850	494,324
Other assets	6	41,198	34,865
TOTAL CURRENT ASSETS		<u>1,760,859</u>	<u>1,415,063</u>
NON-CURRENT ASSETS			
Property, plant and equipment	4	30,375	26,771
Intangible assets	5	1,735	-
TOTAL NON-CURRENT ASSETS		<u>32,110</u>	<u>26,771</u>
TOTAL ASSETS		<u>1,792,969</u>	<u>1,441,834</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	544,599	278,138
Short-term provisions	8	218,024	187,967
Other liabilities	9	676,482	651,780
TOTAL CURRENT LIABILITIES		<u>1,439,105</u>	<u>1,117,885</u>
NON-CURRENT LIABILITIES			
Long-term provisions	8	54,726	45,464
TOTAL NON-CURRENT LIABILITIES		<u>54,726</u>	<u>45,464</u>
TOTAL LIABILITIES		<u>1,493,831</u>	<u>1,163,349</u>
NET ASSETS		<u>299,138</u>	<u>278,485</u>
EQUITY			
Retained earnings		<u>299,138</u>	<u>278,485</u>
TOTAL EQUITY		<u>299,138</u>	<u>278,485</u>

The accompanying notes form part of these financial statements.

Planet Ark Environmental Foundation and Controlled Entity

ABN 26 057 221 959

Consolidated Statement of Changes in Equity For the Year Ended 30 June 2019

2019

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

2018

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2017	180,691	180,691
Surplus/(deficit) for the year	97,794	97,794
Balance at 30 June 2018	278,485	278,485

The accompanying notes form part of these financial statements.

Planet Ark Environmental Foundation and Controlled Entity

ABN 26 057 221 959

Consolidated Statement of Cash Flows For the Year Ended 30 June 2019

	2019	2018
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from sponsors and donors	3,087,889	2,975,459
Payments to suppliers and employees	(3,144,603)	(2,631,137)
Interest received	13,661	25,839
Net cash provided by/(used in) operating activities	16 <u>(43,053)</u>	<u>370,161</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(13,275)	(49,654)
Purchase of intangible assets	(1,735)	-
Net cash provided by/(used in) investing activities	<u>(15,010)</u>	<u>(49,654)</u>
Net increase/(decrease) in cash and cash equivalents held	(58,063)	320,507
Cash and cash equivalents at beginning of year	<u>885,874</u>	<u>565,367</u>
Cash and cash equivalents at end of financial year	2 <u><u>827,811</u></u>	<u><u>885,874</u></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 2019

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 and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Group and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Grant revenue is recognised in the consolidated statement of profit or loss and other comprehensive income when the entity obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably. When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the consolidated statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Donations and bequests are recognised as revenue when received.

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

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period. If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable. Revenue from fixed-term sponsorships and licencing arrangements is recognised on a straight-line basis over the period of the relevant agreement. Revenue from sponsorships related to events and promotions is recognised based on the stage of completion of meeting the conditions required under the relevant agreement.

Planet Ark Environmental Foundation and Controlled Entity

ABN 26 057 221 959

Notes to the Financial Statements For the Year Ended 30 June 2019

1 Summary of Significant Accounting Policies

(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.

(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:

Fixed asset class	Depreciation rate
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 ranging of 10 years.

Planet Ark Environmental Foundation and Controlled Entity

ABN 26 057 221 959

Notes to the Financial Statements For the Year Ended 30 June 2019

1 Summary of Significant Accounting Policies

(f) 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.

(g) Leases

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

(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.

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.

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.

Planet Ark Environmental Foundation and Controlled Entity

ABN 26 057 221 959

Notes to the Financial Statements For the Year Ended 30 June 2019

1 Summary of Significant Accounting Policies

(h) Financial instruments

Financial assets

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.

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

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.

Planet Ark Environmental Foundation and Controlled Entity

ABN 26 057 221 959

Notes to the Financial Statements For the Year Ended 30 June 2019

1 Summary of Significant Accounting Policies

(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.

(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 15 to the 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 2019

2 Cash and Cash Equivalents

	2019	2018
	\$	\$
Cash at bank	827,811	885,874
	<u>827,811</u>	<u>885,874</u>

3 Trade and Other Receivables

CURRENT

Trade receivables	902,850	505,324
Provision for impairment	(11,000)	(11,000)
	<u>891,850</u>	<u>494,324</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	-	-
Balance at end of the year	<u>11,000</u>	<u>11,000</u>

4 Property, plant and equipment

PLANT AND EQUIPMENT

Office equipment

At cost	47,809	34,534
Accumulated depreciation	(17,434)	(7,763)
Total office equipment	<u>30,375</u>	<u>26,771</u>
Total property, plant and equipment	<u>30,375</u>	<u>26,771</u>

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	26,771	26,771
Additions	13,275	13,275
Depreciation expense	(9,671)	(9,671)
Balance at the end of the year	<u>30,375</u>	<u>30,375</u>

Planet Ark Environmental Foundation and Controlled Entity

ABN 26 057 221 959

Notes to the Financial Statements For the Year Ended 30 June 2019

5 Intangible Assets

	2019	2018
	\$	\$
Patents and trademarks		
At cost	1,735	-
Net carrying value	1,735	-
Total Intangibles	1,735	-

Movements in carrying amounts of intangible assets

	Patents and trademarks	Total
	\$	\$
Balance at the beginning of the year	-	-
Additions	1,735	1,735
Balance at the end of the year	1,735	1,735

6 Other Assets

	2019	2018
	\$	\$
CURRENT		
Prepayments	6,693	360
Security deposit	34,505	34,505
	41,198	34,865

7 Trade and Other Payables

CURRENT		
Trade payables	61,726	78,923
GST and PAYG payable	354,881	82,581
Sundry creditors and accrued expenses	127,992	116,634
	544,599	278,138

Planet Ark Environmental Foundation and Controlled Entity

ABN 26 057 221 959

Notes to the Financial Statements For the Year Ended 30 June 2019

8 Provisions

	2019	2018
	\$	\$
CURRENT		
Employee benefits	218,024	187,967
	<u>218,024</u>	<u>187,967</u>
NON-CURRENT		
Employee benefits	54,726	45,464
	<u>54,726</u>	<u>45,464</u>

9 Other Liabilities

CURRENT		
Unearned income	676,482	651,780
	<u>676,482</u>	<u>651,780</u>

10 Leasing Commitments

Operating leases

Minimum lease payments under non-cancellable operating leases:

- not later than one year	147,073	142,317
- between one year and five years	66,404	213,477
	<u>213,477</u>	<u>355,794</u>

Operating lease commitments consist of a property lease for office space at Suite 1802, 323 Castlereagh Street, Sydney NSW, and leases for computer and teleconferencing equipment.

11 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:

Financial assets

Financial assets at amortised cost

Cash and cash equivalents	827,811	885,874
Trade and other receivables	891,850	494,324

Total financial assets

<u>1,719,661</u>	<u>1,380,198</u>
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Financial liabilities

Financial liabilities at amortised cost

Trade payables	61,726	78,923
Sundry creditors and accrued expenses	127,992	116,634

Total financial liabilities

<u>189,718</u>	<u>195,557</u>
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Planet Ark Environmental Foundation and Controlled Entity

ABN 26 057 221 959

Notes to the Financial Statements For the Year Ended 30 June 2019

12 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.

At 30 June 2019 the number of members was 52 (2018: 52).

13 Key Management Personnel Remuneration

The total remuneration paid or payable to key management personnel of the Company and the Group was \$ 534,783 (2018: \$ 586,560).

14 Related Parties

Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

Consulting fees (excluding GST) of \$53,860 were paid to director related entities during the year (2018: \$21,250).

15 Interests in Subsidiaries

Composition of the Group

	Principal place of business / Country of Incorporation	Percentage Owned (%)* 2019	Percentage Owned (%)* 2018
Parent:			
Planet Ark Environmental Foundation Limited	Australia		
Subsidiaries:			
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

ABN 26 057 221 959

Notes to the Financial Statements For the Year Ended 30 June 2019

16 Cash Flow Information

Reconciliation of result for the year to cashflows from operating activities

	2019	2018
	\$	\$
Surplus/(deficit) for the year	20,653	97,794
Non-cash flows in result:		
- depreciation	9,671	7,763
- (gain)/loss on disposal of property, plant and equipment	-	25,261
- writedown of intangible assets	-	720
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(397,526)	92,317
- (increase)/decrease in other assets	(6,333)	1,520
- increase/(decrease) in income in advance	24,702	18,584
- increase/(decrease) in trade and other payables	266,461	112,964
- increase/(decrease) in provisions	39,319	13,238
Cashflows from operations	<u>(43,053)</u>	<u>370,161</u>

17 Events after the end of the Reporting Period

In March 2020, the Australian economy began to be significantly impacted by the disruption caused by the spread of the COVID-19 virus. The Group has continued to operate since this time, with staff working from home where necessary. The Group's reported income for the 2019-20 financial year has remained relatively consistent with previous years, and the operations of the Group have otherwise not been significantly impacted at the date of this report. 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 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.

18 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 2019 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

Date: 7/8/2020

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 2019, 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: 7 August 2020

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 2019, 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 2019 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

Saward Dawson

Jeffrey Tulk

Jeffrey Tulk
Partner

Blackburn

Date 7 August 2020