

Carbon Neutral Charitable Fund

Directors Report

Annual Financial Statements for the year
ended 30 September 2023



Your Footprint. Australia's Trees. Our Future.

CONTENTS

Corporate Directory	3
Directors' Report	4
Report of the Chair	8
Review of Operations	10
Auditor's Independence Declaration	15
Financial Report	16
Directors Declaration	17
Independent Auditor's Report	18
Statement of Financial Position	21
Statement of Profit & Loss and Other Comprehensive Income	22
Statement of Changes in Equity	23
Statement of Cash Flows	24
Notes to the Financial Statements	25

GLOSSARY

AASB	The Australian Accounting Standards Board
ACNC	The Australian Charities and Not-for-Profits Commission
The "Act"	The Australian Charities and Not-for-Profits Commission Act 2012
ASIC	The Australian Securities and Investment Commission
ATO	The Australian Tax Office
CFI	Carbon Farming Initiative
The "Company"	Carbon Neutral Charitable Fund Ltd
REO	Register of Environmental Organisations
GST	Goods and Services Tax

CORPORATE DIRECTORY

Name:	Carbon Neutral Charitable Fund Ltd
	Trading as Carbon Positive Australia and Plant Trees Australia
ABN:	99 124 696 966
Incorporation Date:	30 March 2007
Current Directors:	Mr Ian Rawlings (resigned 20th September 2023)
	Dr Jeff Bremer
	Mr Adam Marr (resigned 21st June 2023)
	Mr Grahame Reader
	Mr Devinder Singh (resigned 11th February 2023)
	Dr Genevieve Simpson
	Mr Jason Froud
Company Secretary:	Ms Catherine Patterson
Chief Executive Officer:	Ms Louise Marlina Tarrier
Registered Address:	Suite 1, 50 Harvey Street, Mosman Park, WA 6012
Telephone:	1300 857 970
Email:	admin@carbonpositiveaustralia.org.au
Auditor:	Mr Greg Godwin, Moore Australia, Level 15 Exchange Tower, 2 The Esplanade, Perth WA 6000

Directors' Report

Your directors present this report on the company, Carbon Neutral Charitable Fund Ltd (t/a Carbon Positive Australia), for the year ended 30 September 2023

Governance

Directors

The names of every person who has been a director during the year to the date of this report are listed.

Name	Date Appointed	Date Resigned
Ian Rawlings	Apr-08	Sep-23
Jeff Bremer	May-11	
Adam Marr	Nov-17	Jun-23
Grahame Reader	Feb-19	
Devinder Singh	Feb -22	Feb-23
Genevieve Simpson	Aug-22	
Jason Froud	Sept-22	

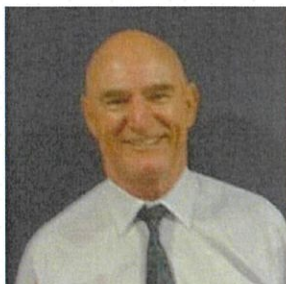
Company Secretary

Ms Catherine Patterson holds the position of company secretary

Responsible Persons

All directors and the secretary are listed with the Australian Charities and Not for Profits Commission as "Responsible Persons" for the company.

Information on Directors



Jeff Bremer

Jeff is a principal engineer based in Perth, Western Australia, with 35 years of experience in pipelines, mining, and mineral processing industries. He has expertise in strategic analysis of greenhouse gas emissions and energy policy. He has also worked in sustainability and led remote area energy studies in the Indian Ocean. He has served on the Mechanical Committee of Engineers Australia WA, is a Fellow of the Institute of Engineers Australia and is keen to contribute to

the re-vegetation of coastal waters, degraded landscapes, woodlands and forests. His interests are in ecological restoration and the protection of endangered species.



Grahame Reader

Grahame is an experienced senior executive with the Bureau of Meteorology. He has significant specialist expertise in assessing and communicating natural hazards and climate risks, advising on decision-making under uncertainty, and appropriately responding to those threats through risk and incident management frameworks. Grahame has a Bachelor of Applied Science and a Masters in Public Administration and is a graduate of AICD.



Genevieve Simpson

Genevieve currently develops research projects with over 60 research and industry partners in the areas of trust and customer priorities, the future workforce and modelling the future energy system for the Reliable Affordable Clean Energy for 2030 Cooperative Research Centre. She has previously worked developing government engagement strategy and advice for the CSIRO and managed a government relations team for one of Western Australia's largest energy utilities. Genevieve received her PhD from the University of Western Australia in 2017 for work examining perceptions of

residential solar photovoltaic system adoption, including from the perspectives of government, industry and the community and accounting for regional differences. Before this, she completed her Honours research in community Landcare groups in Western Australia. She is also Chair/Vice Chair of the Australian Institute of Energy.



Jason Froud

Jason Froud is the Executive General Manager of People, Strategy and Social value at Synergy, Western Australia's largest government-owned electricity generator and retailer. He has been instrumental in developing Synergy's current corporate strategy, initiating Synergy's big battery project in Kwinana, and working closely with the government on Synergy's recent decarbonisation announcements. Jason is responsible for Leading Synergy's involvement in the Western Australian energy market reform, energy policy position development and advocacy and stakeholder engagement with government agencies and other key stakeholders. Before working at Synergy, Jason was the Manager of Corporate Affairs at Western Power.

Meetings of Directors

During the financial year, eight directors' meetings were held. Attendances by each director during the year were as follows:

Director	Eligible to attend	Attended
Ian Rawlings	8	5
Jeff Bremer	8	5
Devinder Singh	2	0
Adam Marr	6	2
Grahame Reader	8	7
Genevieve Simpson	8	8
Jason Froud	8	7

ACNC Governance Standards

The company adopted and continues to meet the 5 ACNC Governance Standards in its framework for governance. The standards are:

1. Not-for-profit and working towards purpose;
2. Accountability to members;
3. Compliance with Australian Laws;
4. Suitability of Responsible Persons; and
5. Duties of Responsible Persons.

Report of the Interim Chair

I begin this report by acknowledging the traditional owners of this vast and beautiful country. For countless generations, First Nations Peoples have nurtured this land, and the land has nurtured them in a continuous process of ritual care and respect. This intimate and immersive connection to Country has much to offer the world in these tumultuous times. As leaders, as humans, we possess a responsibility to protect our environment. The goals of restoration and protection move us away from a mindset of exploitation to stewardship. This aligns deeply with First Nation's commitment to collective responsibility.

We support the UN Decade on Ecosystem Restoration (2021-2030) and the 30x30 initiative, which aims to protect 30% of the Earth's land and seas by 2030. Our projects and our organisational goals support this initiative. Our tree planting projects seek to support habitat and reduce species loss. Losing species isn't just a loss of beauty or cultural significance; it impacts the health of us all. A diverse ecosystem is resilient, better equipped to fight disease, and better placed to mitigate the effects of climate change. The 30x30 initiative recognises that by protecting large areas, we contribute to maintaining this vital biodiversity. Carbon Positive Australia projects such as Eurardy, Warralakin, and Nimbin seek to extend connectivity and provide much-needed habitat to threatened species at scale.

Central to our work is the commitment to develop, support and catalyse tree-planting activities. Tree planting holds immense potential for combating climate change and regenerating the land. By supporting and championing tree-planting initiatives, we seek to amplify the positive impact of these activities. We recognise that the power to create change lies within the collective action of individuals, communities, and organisations. As such, we strive to empower and inspire everyone to make informed choices beyond simply offsetting their carbon footprint.

2023 was our biggest planting season to date. In total, we planted at eighteen sites across Australia. Our work extends from highly technical at-scale ecosystem restoration to supporting community groups like the Forest Outreach Program that plant Pocket Forests in Schools across Perth. Our ongoing commitment to partnership, whether partnering with other environmental groups, community organisations, landholders or businesses, has the intent of increasing the impact of the work that we undertake towards climate health. The timeline is non-negotiable. Our climate is reaching irreversible tipping points, and the Decade of Restoration and 30x30 serve as our concerted, time-bound action plans. By 2030, we must be well on our way to a sustainable, equitable, and liveable world.

While the complete list is long, we would like to acknowledge the time, effort, and commitment to biodiverse outcomes of all our partners, including landholders keen to see restoration on their lands, the Bush Block Guardians, Green Skills and Bush Heritage

Australia to other NGOs such as Activate Tree Planting, and Regen the Plains; alongside the schools and community groups enthusiastic about Miyawaki plantings; and our delivery partners, including nurseries innovating to meet biodiversity needs. Finally, we couldn't do our work without our generous individual donors and corporate supporters.

Thank you all for your hope, your care, your generosity and your commitment to our planet and all our futures.

A handwritten signature in blue ink, consisting of a series of loops and a long horizontal stroke extending to the right.

Dr Genevieve Simpson
Interim Chair

Operations Review



This is the Carbon Neutral Charitable Fund's fifteenth annual report. This was also the organisation's biggest-ever planting year, with tree planting happening across eighteen sites. The company recorded a surplus of \$42,175 (2022: Surplus of \$197,457). The charity planted 415 hectares during this year's planting season and funded ten community projects. It also carried out six monitoring assessments on plantings from prior years.

Carbon Neutral's Charitable Fund's principal activities are

- i) Management of revegetation projects as a viable carbon abatement action to achieve co-benefits of carbon sequestration, biodiversity conservation and natural resource management
- ii) Production and sale of biodiverse reforestation offset products
- iii) Education - Raising community awareness and providing web-based resources to enable businesses and households to reduce and offset greenhouse gas emissions

Carbon Neutral Charitable Fund is registered with ACNC, the Register of Environmental Organisations, and holds a Collections Licence with the Western Australian Department of Mines, Industry Regulation and Safety - Consumer Protection.

This year, planting took place at eighteen sites across Australia. This was a mixture of new areas alongside further planting at existing sites. Our work at Eurardy continues, and after a 27-hectare trial in 2022, we planted 208 hectares of the sandplain in 2023 with a mixture of biodiverse species. This year, planting was undertaken in drought conditions with exceptional herbivore pressure. As a result, we allocated \$84,919 towards fencing equipment and



installation. We believe these fenced areas will help achieve higher survival rates and provide the opportunity to include more species when we return in 2024. This is a technically difficult site, particularly with regard to seed propagation, climate, and soil moisture retention. Various innovative measures are being trialled at the site in respect of soil moisture and planting techniques. These will have an impact on planting at other drought-impacted sites.

We began planting at Warralkin. This site is directly adjacent to the Chiddarcooping Nature Reserve - one of the largest areas of remnant bush in the WA Wheatbelt

The purpose of the planting is to extend the Reserve and provide additional habitat for woodland species, including threatened malleefowl. This year, we planted around 60ha of the 180-ha site - every seed and seedling planted were collected by hand from the property. We were assisted in this planting effort by the Noongar Boodja Rangers from

Wheatbelt NRM, the Boola Boornap Nursery, and Work Power.

Overall this season we planted 326,000 seedlings and 115kg of native seed.

Alongside Dr Grey Coupland of the Harry Butler Institute, we funded the planting of a further four mini urban forests within schools in Perth that are particularly impacted by the urban heat island effect. These fast-growing, low-maintenance native forests help to cool thermal hotspots and provide shade and amenities. They also provide habitat for native fauna, reduce the effects of stormwater runoff and help seed rainfall. We will fund a further four forests in 2024, bringing the total number of Miyawaki forests in partnership with the Forest Outreach program to twelve.

Planting Miyawaki forests offers valuable learning and stewardship opportunities for school children and allows them to take practical action in the face of climate change.

As well as our planting, we continue to offer educational opportunities around carbon reduction and sustainability topics. This year, 11,499 people calculated their carbon footprint using our online calculator. We also had over 100 people sign up for our online event "Sustainability Success for Your Business". In preparation for an online course to be delivered in 2023/24 with the same name. This is a resource for organisations wishing to reduce their emissions.

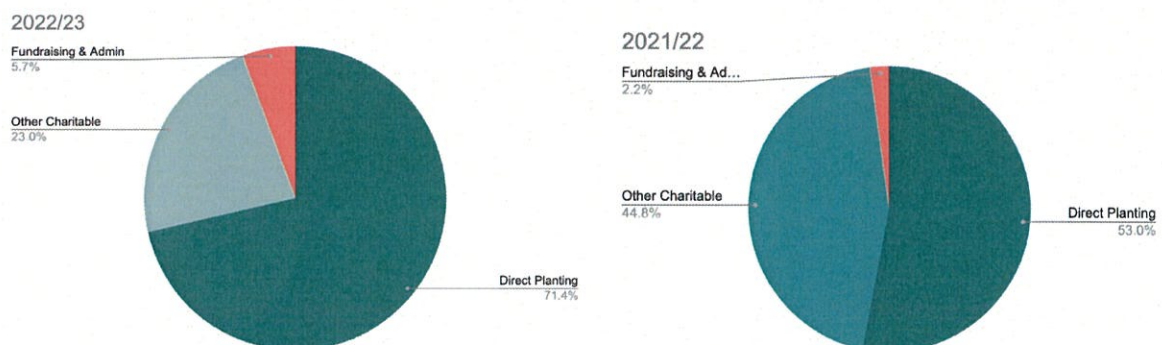
The organisation has a team of 9 (6.1 FTE) (2022: 8, (6.9 FTE). There were also circa 911 volunteers (2022: 1,639), which included the Board of Directors who were not remunerated. 60% of our projects had volunteer participation.

For 2024, we will continue to implement our 2020-2025 strategic plan, which includes ensuring that our projects meet outcomes for biodiversity and restoration as well as carbon sequestration. We will build capacity for tree planting alongside our partners as we believe that tree planting is one of the best solutions to combat climate change. We will also continue promoting carbon education, particularly around carbon calculation and reduction. The board will begin working towards the 2026-2030 strategy during 2024.

Income by category



Expenditure



After Balance Date Events

No matters have arisen since the end of the year that will or may significantly affect:

- i) the company's operations in future financial years or
- ii) the results of those operations in future financial years or
- iii) the company's state of affairs in future financial years

Environmental Performance

The Company is not subject to any particular and significant environmental regulations under Commonwealth, State or Territory law.

The company is listed on the Register of Environmental Organisations as a Deductible Gift Recipient.

Distributions to members during the year

No dividends or distributions were recommended, declared or paid to members during the year. The company is a non-profit company and its Constitution does not allow payments, including dividends, bonuses or distributions of profit, directly or indirectly, to members, officers, servants, agents or employees other than as reasonable remuneration for services rendered.

Indemnifying officers or auditor

No indemnities have been given during or since the end of the financial year to any person who is or has been an officer or auditor of the company. The company holds an Association liability insurance policy with Allianz Australia Insurance Ltd, which includes Directors and Officers as well as Professional Indemnity insurance.

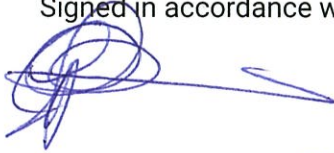
Proceedings on behalf of the company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings. The company was not a party to any such proceedings during the year.

Auditors' independence declaration

The company's auditor is Moore Australia. A copy of the auditor's independence declaration as required under section 60.40 of the Australian Charities and Not-for-Profits Commission Act 2012 ("the Act") is set out on page 15 of this report

Signed in accordance with a resolution of the board of directors.



Interim Chair

29th January 2024

The Board of Directors

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF CARBON NEUTRAL CHARITABLE FUND LTD**

I declare that, to the best of my knowledge and belief, during the year ended 30 September 2023, there have been:

- a) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit, and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.


GREG GODWIN
PARTNER
MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 29th day of January 2024.



Financial Report

as at 30 September 2023

DIRECTORS' DECLARATION

The directors, being the Responsible Persons' of Carbon Neutral Charitable Fund Ltd, declare that in the director's opinion:

1. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
2. The financial statements and notes:
 - satisfy the requirements of the *Australian Charities and Not-for-Profits Commission Act 2012*;
 - give a true and fair view of the financial position of the company as at 30 September 2023 and of its performance for its operations as a whole for the year then ended; and,
 - comply with Australian Accounting Standards – AASB 1060 simplified disclosures.

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profit Commission Regulation 2013 on behalf of the directors by:



29th January 2024

Dr Genevieve Simpson, Director - Interim Chair

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
CARBON NEUTRAL CHARITABLE FUND LTD****Opinion**

We have audited the financial report of Carbon Neutral Charitable Fund Ltd (the "company") which comprises the statement of financial position as at 30 September 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and directors' declaration.

In our opinion the accompanying financial report of Carbon Neutral Charitable Fund Ltd is 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 Company's financial position as at 30 September 2023 and of its performance and cash flows for the period ended; and
- ii. complying with Australian Accounting Standards – Simplified Disclosure Requirements, Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013* and *Corporations Act 2001*.

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 Company in accordance with 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 with the Code.

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

Responsibility of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosure Requirements, the *Australian Charities and Not-for-profits Commission Act 2012* and *Corporations Act 2001*. The directors' responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

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

Auditor's Responsibility 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 the 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 include the economic decisions of the users taken on the basis of this financial report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARBON NEUTRAL CHARITABLE FUND LTD (CONTINUED)

Auditor's Responsibility for the Audit of the Financial Report (continued)

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment 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 Company'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 Company'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 Company 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.

We communicate with the directors 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.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of Section 60-45(3)(b) of the ACNC Act, in our opinion there are no deficiency, failure or shortcoming in respect of the matters referred to in Section 60-30(3)(b), (c) or (d) of the ACNC Act.



GREG GODWIN
PARTNER



MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 29th day of January 2024.

Statement of Financial Position as at 30 September 2023

	Note	Sept 23	Sept 22
Current Assets			
Cash and cash equivalents	6	1,098,798	1,319,087
Trade and other receivables	9	75,619	40,596
Inventory	8	257,979	0
Other current assets	10	84,972	87,903
Total current assets		1,517,368	1,447,586
Non-current assets			
Property, plant & equipment	11	66,520	88,113
Leased Assets	12	242,282	271,050
Total non-current assets		308,802	359,163
Total Assets		1,826,170	1,806,749
Current liabilities			
Trade and other payables	13	61,662	68,247
Current lease liability	15	13,777	13,777
Provisions and accruals	14	92,812	95,172
Total current liabilities		168,251	177,196
Non-current liabilities			
Lease liabilities	15	254,141	267,950
Total non-current liabilities		254,141	267,950
Total liabilities		422,392	445,146
Net Assets		1,403,778	1,361,603
Equity			
Members funds - Reserves		1,361,603	1,164,146
Retained earnings/(losses)		42,175	197,457
Total Equity		1,403,778	1,361,603

Statement of profit and loss and other comprehensive income for the year ended 30 September 2023

	Note	Sept 23	Sept 22
Revenue from continuing operations	3	1,765,860	2,304,201
Other income	4	35,286	4,694
		1,801,146	2,308,895
Less:			
Planting costs	5	645,539	1,113,666
Cost of other charitable activities excl. Employment expenses		26,437	5,300
Rent, rates and services		13,345	18,966
Office expenses		11,801	13,474
Operating expenses		137,687	104,029
Employment expenses		818,200	782,469
Professional services		38,643	31,995
Depreciation		53,877	33,396
		1,745,529	2,103,295
Interest expense	12	13,442	8,152
Net surplus before income tax		42,175	197,448
Income tax expense		0	0
Net surplus after income tax		42,175	197,448
Other comprehensive income		0	9
Total comprehensive income		42,175	197,457

Statement of changes in equity for the year ended 30 September 2023

	Retained Earnings	General reserve	Total
Balance as at 1st October 2021	1,164,146	0	1,164,146
Profit for the year	197,448	0	197,448
Other comprehensive income	9	0	09
Balance as at 30 September 2022	1,361,603	0	1,361,603
Profit for the year	42,175	0	42,175
Other comprehensive income	0	0	0
Balance as at 30 September 2023	1,403,778	0	1,403,778

Statement of cash flows for the year ended 30 September 2023

	Note	Sept 23 \$	Sept 22 \$
Cash flows from operating activities			
Receipts from clients and donors		1,916,815	2,706,016
Interest received		30,076	4,694
Payments to employees and suppliers		(2,136,415)	(2,303,433)
Net cash inflow/(outflow) from operating activities	7	(189,524)	407,277
Cash flows from investing activities			
Additions for property, plant & equipment		(3,514)	(81,566)
Net cash(outflow) from investing activities		(3,514)	(81,566)
Cash flows from financing activities			
Repayment of lease liabilities		(27,251)	(11,252)
Net cash (outflow) from financing activities		(27,251)	(11,252)
Net increase/(decrease) in cash		(220,289)	314,459
Cash at the beginning of the financial year		1,319,087	1,004,628
Cash at the end of the financial year	6	1,098,798	1,319,087
Net increase/(decrease) in cash		(220,289)	314,459

NOTES TO THE FINANCIAL STATEMENTS

1. Basis of Accounting

Date of Issue

The directors issued these accounts on 21st February 2024. The directors have the authority to amend the financial reports after that date.

Basis of Preparation

The financial statements are general purpose financial statements - Simplified Disclosure Standard, that have been prepared in accordance with the Australian Charities and Not-for-profits Commission Act 2012. The entity is a not-for-profit for financial reporting purposes under the Australian Accounting Standards

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board 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 the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements 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.

The financial statements have been prepared on a "going concern" basis.

2. Summary of Significant Accounting Policies

A. Revenue

Non-reciprocal grant revenue is recognised in the statement of comprehensive income when the entity obtains control of the grant, and 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.

If conditions are attached to the grant, which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

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 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.

Summary of Significant Accounting Policies (Con't)

A. Revenue (con't)

Carbon Neutral Charitable Fund Ltd receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in profit or loss.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised as it accrues using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

All revenue is stated net of the amount of goods and services tax (GST).

B. Inventories on Hand

Inventories are measured at the lower of cost and current replacement cost. Inventories acquired at no cost or for nominal consideration are valued at the current replacement cost as at the date of acquisition.

C. Property, Plant and Equipment

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

Trees

Trees were carried as property in the accounts; these have been transferred to inventory at the lower of cost and net realisable value to reflect the planting costs involved and the number of stems planted and allocated in the financial year.

Plant and equipment

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

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Summary of Significant Accounting Policies (Con't)

C. Property, Plant & Equipment (con't)

Plant and equipment that have been contributed at no cost or for nominal cost, are recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets:

Class of Fixed Asset

Equipment	15%
Fixtures and fittings	20%
Plant	33.3%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised immediately in profit or loss. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

D. Leases

The Entity as lessee

At the inception of a contract, the Entity assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability are recognised by the Entity where the Entity is a lessee. However, all contracts that are classified as short-term leases (leases with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expenses on a straight-line basis over the term of the lease.

Summary of Significant Accounting Policies (Con't)

D. Leases (con't)

Initially the lease liability is measured at the present value of the lease payments still to be paid at the commencement date. The lease payments are discounted at

the interest rate implicit in the lease. If this rate cannot be readily determined, the Entity uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Entity anticipates exercising a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

Concessionary Leases

For leases that have significantly below-market terms and conditions principally to enable the Entity to further its objectives (commonly known as peppercorn/concessionary leases), the Entity has adopted the temporary relief under AASB 2018-823 and measures the right of use of assets at cost on initial recognition.

Summary of Significant Accounting Policies (Con't)

E. Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified at fair value through profit or loss, in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

F. Impairment of Assets

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised immediately in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of a class of asset,

the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

Summary of Significant Accounting Policies (Con't)

G. Employee Benefits

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of accounts payable and other payables in the statement of financial position.

Long service leave is provided for within the provision for holiday pay, as it is not deemed material to split between short and long-term liabilities.

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

H. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

I. Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from donors and any outstanding grants receipts. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

J. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from,

K. or payable to, the ATO is included with other receivables or payables in the statement of financial position. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities

L. which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

Summary of Significant Accounting Policies (Con't)

M. **Income Tax**

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.

N. **Provisions**

Provisions are recognised when the entity has a legal or constructive obligation as a result of past events for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period. Comparative Figures

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

When an entity applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

O. **Accounts Payable and Other Payables**

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period, which remain unpaid. The balance is recognised as a current liability, with the amount being normally paid within the short term.

P. **Critical Accounting Estimates and Judgments**

The directors evaluate estimates incorporated into the financial statements based on historical knowledge and the best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data obtained both externally and within the company.

Key estimates

(a) **Impairment**

The company assesses impairment at the end of each reporting period by evaluating conditions and events specific to the company that may be indicative of impairment triggers.

No judgments are necessary.

3. Revenue

	2023	2022
Revenue	\$	\$
Donations received for trees	88,170	39,248
Donations received	247,218	342,573
Major business offsets	742,819	1,087,176
Donations to offsetting	250,055	87,213
Ecards	7,225	11,126
Business plant a tree	240,925	707,428
Net grant funding	147,301	24,000
Other Revenue	42,147	5,437
	1,765,860	2,304,201

4. Other Income

	2023	2022
Other Income	\$	\$
Interest received	35,286	4,694

5. Major Planting Expenses

	2023	2022
	\$	\$
Major Planting Expenses		
Planting establishment	614,493	1,073,221
Monitoring costs	22,355	20,789
Caveats and covenants	0	131
Landholder costs	8,691	19,525
	645,539	1,113,666

6. Cash and Cash Equivalents

	2023	2022
	\$	\$
Cash & cash equivalents		
Cash on hand	38	18
Cash at bank - Operating account	180,113	110,286
Cash at bank - Term deposit	813,460	872,952
Cash at bank - Cash reserve	91,751	322,441
Cash at bank - Lien on guarantee	13,436	13,390
	1,098,798	1,319,087

7. Reconciliation of profit after tax to net cash inflow from operating activities

	2023	2022
	\$	\$
Reconciliation of profit after tax to net cash inflow from operating activities		
Net surplus/((loss) before income tax	42,175	197,448
Changes in operating assets & liabilities	16,371	21,027
(Increase)/decrease in trade and other receivables	(35,023)	179,775
(Increase)/decrease in inventory	(257,979)	45,161
Increase/(decrease) in provisions	(2,360)	28,645
Increase/(decrease) in current trade and other payables	(6,585)	(98,175)
Non-cash flows in profit from ordinary activities:		
Depreciation	53,877	33,396
Net cash inflow/(outflow) from operating activities	(189,524)	407,277

8. Inventory

	2023	2022
	\$	\$
Opening Inventory		
Brought forward as at 1st October	(0)	179,775
Planting establishment costs	645,539	1,113,666
Stock sold	(387,560)	(1,293,441)
Carried forward as at 30 September	257,979	0

9. Trade and other receivables

	2023	2022
	\$	\$
Trade & other receivables		
Trade debtors	60,805	40,464
GST receivable	9,532	0
Other receivable	5,282	132
	75,619	40,596

Terms: Receivables are usually settled within 30 days and are generally non-interest bearing.
Impairment: An allowance for doubtful debts is made where there is objective evidence that trade receivables are impaired.

10. Other current assets

	2023	2022
	\$	\$
Other current assets		
Prepayments	80,510	83,441
Rental Bond on premises	4,462	4,462
	84,972	87,903

11. Property, plant and equipment

	\$	\$	\$	\$
	Fixtures	Plant	Equipment	Total
Fixed Assets				
Asset Value	56,611	31,038	27,463	115,112
Accumulated depreciation	(17,926)	(16,491)	(14,175)	(48,592)
Total Fixed Assets	38,685	14,547	13,288	66,520

	\$	\$	\$	\$
	Fixtures	Plant	Equipment	Total
Movement in carrying amounts				
Balance as at 1st October 2022	50,006	22,677	15,430	88,113
Additions	0	1,700	1,815	3,515
Disposals	0	0	0	0
Depreciation on existing assets	(11,322)	(9,779)	(3,847)	(24,948)
Depreciation on new assets	0	(50)	(110)	(160)
Carrying amount as at 30 September 2023	38,684	14,548	13,288	66,520

12. Right of use assets

AASB 16 related amounts recognised in the balance sheet

	2023	2022
	\$	\$
Leased Building	287,838	287,838
Accumulated Depreciation	(45,556)	(16,788)
Total Right of Use Asset	242,282	271,050
Movement in Carrying Amounts		
Carrying amount as at 1st October	271,050	0
Additions	0	287,838
Disposals	0	0
Depreciation on existing assets	(28,768)	0
Depreciation on new assets	0	(16,788)
Carrying amount as at 30 September	242,282	271,050

AASB 16 related amounts recognised in the statement of profit or loss

	2023	2022
	\$	\$
Interest expense on leased liabilities	13,442	8,152
Repayment of lease liabilities	27,251	14,263
Depreciation charge related to right of use assets	28,768	16,788

Total future lease payments at the end of the reporting period

	2023	2022
	\$	\$
No later than 1 year	28,409	27,251
Between 1 to 5 years	143,905	172,314
Greater than 5 years	163,055	163,055
Total Lease payments	335,369	362,620

Total lease payments include interest and leasehold payments.

13. Trade and other payables

	2023	2023
	\$	\$
Trade creditors	32,505	42,124
Superannuation	11,807	0
PAYG	17,345	13,255
GST	0	12,868
Other	5	0
	61,662	68,247

14. Provisions and accruals

	2023	2022
	\$	\$
Provisions and accruals		
Audit fee provision	7,500	7,100
Accrued annual leave	37,630	36,988
Accrued expenses	38,002	51,084
Wages Payable	9,680	0
	92,812	95,172

The accruals for annual leave are presented as current obligations since the Company does not have an unconditional right to defer settlement. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave within the next 12 months. The expected cash outflow timing is anticipated to be within one year. The Company has no policy whereby employees are required to take their accrued leave within 12 months. Accrued leave has been reallocated from Trade and Other payables.

15. Lease liabilities

	2023	2021
Lease liabilities	\$	\$
Current lease liability	13,777	13,777
Long term lease liability	254,141	267,950
	267,918	281,727

The lease with CBRE for the premises at Suite 1, 50 Harvey Street, Mosman Park, WA has been calculated based on initial five-year lease along with a five-year extension until 2032 anticipated.

16. Remuneration of auditors

The company's auditor is Moore Australia. During the year, an amount of \$7,500 was paid for audit services provided in the 2023 financial year.

17. Key management personnel

The key management personnel comprise the Directors identified in the Directors' report and the following management staff

Chief Executive Officer - Louise-Marlena Tarrier

	2023	2022
	\$	\$
Total Remuneration paid (salary)	140,000	140,000

Directors are volunteers and have no beneficial interest in the company. Catherine Patterson is an employee of the organisation as well as Company Secretary.

18. Related party transactions

Related Party Transactions	2023	2022
Podcasting Hub Australia	0	6,327
For Purpose Media & Marketing	0	3,200
	0	9,527

Devinder Singh, a Director, is also a Director of Podcasting Hub Australia and For Purpose Media and Marketing.

19. Commitments

Operating lease Commitments: There were no operating lease commitments at year-end.

Planting Commitments: There were no planting commitments outstanding at year-end.

20. Contingent assets and liabilities

Contingent assets: There were no contingent assets at year-end.

Contingent liabilities: There were no contingent liabilities at year-end.

21. Financial Instruments

Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, accounts receivable and accounts payable. The company does not have any derivative instruments as at 30 September 2023.

- i. Treasury Risk Management. All funds are held in at-call deposits or in short term investments with major banks.
- ii. Financial Risks The main risks the company is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Interest rate risk

There is no significant interest rate risk. Cash held in banks is subject to floating interest rates. There is no interest risk on Accounts payable or receivable.

Liquidity risk

The company manages liquidity risk by monitoring forecast cash flows.

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. The company does not usually have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the company.

Price risk

The company is not exposed to any material commodity price risk.

Foreign currency risk

The company is not exposed to fluctuations in foreign currencies.

22. Member guarantees

The Company is incorporated under the Corporations Act 2001 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 \$1 each towards the property of the company for payment of the debts and liabilities of the company. As of 30 September 2023, the number of members was 58 (2022: 65).

23. Events after the balance date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of the affairs of the company in future financial years.