

Carbon Neutral Charitable Fund

Directors Report

Annual Financial Statements for the year
ended 30 September 2024



Your Footprint. Australia's Trees. Our Future.

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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 Richard Pearce (Chair)
	Mr Joe Heffernan (Vice Chair)
	Ms Boyu (Amy) Guo (Company Secretary)
	Dr Jeff Bremer
	Mr Grahame Reader
	Dr Genevieve Simpson
	Mr Jason Froud
	Mr James Ostrobrski
	Mrs Louise Marlana Tarrier (CEO)
Company Secretary:	Ms Boyu (Amy) Guo
Chief Executive Officer:	Ms Louise Marlana 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 2024

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
Richard Pearce	Feb-24	
Jeff Bremer	May-11	
Joe Heffernan	Apr - 24	
Grahame Reader	Feb-19	
Boyu (Amy) Guo	Feb -24	
Genevieve Simpson	Aug-22	
James Ostroburski	Mar - 24	
Jason Froud	Sept-22	
Louise Marlena Tarrier	Feb - 24	

Company Secretary

Ms Boyu (Amy) Guo 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 the company's "Responsible Persons."

Information on Directors

Richard Pearce - Chair



Richard is an experienced director and executive in the minerals, clean energy, agricultural and industrial sectors. With an international, Australian and local regional perspective on strategies for addressing climate change, Richard is keen to apply his strategic and commercial knowledge to the Carbon Positive board and team and contribute to addressing these important challenges and their impacts on our environment and our communities.

Joe Heffernan - Vice Chair



Joe provides strategic and technical nature conservation advice to organisations and is currently working with the international wildlife conservation group Wild Earth Allies, founded in the US, and Western Australian natural resource management body, South Coast NRM. Drawing on experience in conservation planning, corporate governance, and as an admitted lawyer, Joe is particularly passionate about promoting equitable conservation financing models.

Boyū (Amy) Guo - Company Secretary



Amy has substantial experience in various private and public sectors, with a focus on renewable energy. A confident leader with a diverse background, she brings strong business acumen, financial literacy, adaptability and analytical thinking to help drive strategic decisions. Amy is passionate about environmental sustainability and contributing to the health of the planet we live in.

Jeff Bremer - Non-Executive Director



Jeff has expertise in sustainability. 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 - Non-Executive Director



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 in appropriately responding to those threats through risk and incident management frameworks.

Genevieve Simpson - Non-Executive Director



Genevieve currently develops research projects with over 60 research and industry partners in the areas of trust, customer priorities, and the future workforce, as well as 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.

Jason Froud - Non-Executive Director



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 its big battery project in Kwinana, and working closely with the government on its recent decarbonisation announcements.

James Ostrobrski OAM - Non-Executive Director



An experienced entrepreneur, company director, investor & philanthropist. Following 7 years as Chief Executive Officer & Managing Director of Kooyong Group (now Avant Financial Services), I recently established Tyalla Capital - a private investment company and family office focused on generating profits with purpose.

Louise-Marlena Tarrier - Chief Executive Officer



Louise is an FCCA Accountant and has led Carbon Positive Australia since 2020. Before this, she was CFO of TreeSisters, a UK reforestation charity, and worked in senior roles at mid-sized corporations. She is also a permaculture designer and strongly focuses on how by connecting people to nature, we can create change regarding our environmental systems and outcomes.

Meetings of Directors

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

Director	Eligible to attend	Attended
Richard Pearce	6	6
Joe Heffernan	4	2
Jeff Bremer	9	7
Genevieve Simpson	9	9
Jason Froud	9	7
Grahame Reader	9	8
James Ostroburski	5	1
Boyu (Amy) Guo	6	6
Louise Marlana Tarrier	6	6

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 Chair

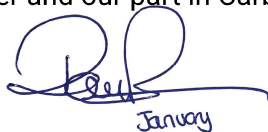
2024 has seen a transition for Carbon Positive Australia and its Board, and I am honoured to have been offered the opportunity to Chair the Board of this important and committed organisation and to welcome three additional new Board members. With these changes, your Board, the team, and our stakeholders have increased geographic diversity, and we work and live on the country of many First Nations. We acknowledge the Traditional Custodians of the lands on which our organisation, its people and its projects are located, and we pay our respects to ancestors and Elders past, present and emerging.

The pace of change does not abate, and 2024 has seen considerable activity for Carbon Positive Australia. With the Nature Repair Act 2023 coming into effect on 15 December 2023, Australia is establishing a world-first legislated national voluntary biodiversity market. There is still much to do in its full implementation, but as we look at the impact we are striving for in our work, this is a major step forward and one we are seeking to embrace. As we look forward towards 2030, this and related state and federal legislation help us to understand our collective challenges and chart our future.

Through 2024, our committed and passionate team has faced its own changes. Foremost of which is our CEO, Louise Tarrier, announcing her intention to step down from this role as she focuses on new opportunities in the UK close to her family. Louise has had a major and positive impact on Carbon Positive Australia over her tenure, guiding the organisation to innovate, experiment, and deliver quality outcomes. She has built and mentored a team that constantly delivers with professionalism and pragmatism. Louise will remain as a Board Director, and as I write we are well advanced in our search for a new CEO who can build on this foundation and embrace the future opportunities.

I have been fortunate to meet many of our team firsthand, attend functions, participate in project briefings, and discuss future opportunities. Working as I do across several sectors, in Australia and overseas, it is always refreshing to be with this group of people and to listen to their aspirations. Change brings uncertainty and ambiguity but also opens new doors and we are seeing this in the work on pocket forests, as well as maintaining our land restoration projects and looking towards new ecosystem restoration opportunities. Above all, the Board is there to help guide the organisation and encourage it to continue to deliver on its core mission and purpose as we combat and find solutions to reduce the impacts of climate change.

What we achieve needs many others, and we recognise this every day – our generous donors, whether individuals or businesses, the landholders we work with, the experts who ensure we maintain a strong evidence-based approach to our project delivery, the volunteers who get their hands dirty planting trees and other vegetation, and our members who advocate for what we do. I thank you all for your support and faith in our purpose. Despite the undoubted concerns we must all share about the state of the environment and the slow pace of change in our collective climate response, I remain optimistic and excited by what 2025 and the coming years can deliver and our part in Carbon Positive Australia in having a meaningful and positive impact.



January

Richard Pearce - Chair

Operations Review



In 2024 Carbon Neutral Charitable Fund undertook tree planting activities across 25 planting sites. The company recorded a surplus of \$241,365 (2023: Surplus of \$42,175). The charity planted 275 hectares during this year's planting season and funded fourteen community projects. It also carried out eight 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 25 sites across Australia. Our work at Eurardy continues and we are now into our sixth year of planting at the reserve owned by Bush Heritage Australia. In collaboration with the Bush Heritage Team and APACE nurseries, we hand-planted 88,000 seedlings, the bulk of which were to infill sections of the sandplain area. We also began introducing native sandalwood to 16 hectares with a mixed environmental planting approach. Various innovative measures continue to be trialled at the site in respect of soil moisture and planting techniques. These will have an impact on planting at other drought-impacted sites.

In April 2024, we undertook monitoring at Eurardy. Results from the red soil areas showed excellent growth with a 35% increase. Results from the 2023 sandplain area were mixed with many seedlings lost to drought. The herbivore exclusion area performed much better and survival rates were 15% higher. The 2024 planting concentrated on infilling the areas lost to the drought in 2023.

We continued 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 55 ha of the 180-ha site - every seed and seedling planted was collected by hand from the property. We were assisted in this planting effort by the Noongar Boodja Rangers from Wheatbelt NRM, and the Boola Boornap Nursery.

We completed the first comprehensive monitoring assessment of the site, establishing 12 permanent plots across the site. The average stocking density was 613 trees/ha in the southern paddock and 1,373 trees/ha in the northern paddock, indicating excellent seedling survival and seed germination.

This winter we also returned to Brookton to plant a further 12 hectares of salt affected country. With help from the Noongar Boodja Rangers we hand planted 20,096 seedlings.

Overall this season we planted 284,000 seedlings and 57 kg of native seed.

Over the next five years, Carbon Positive Australia will work towards the establishment of Australia's first holistic Community Pocket Forest program, offering a new opportunity for accelerated urban greening that addresses the interconnections between nature, economy, culture, and society while complementing existing urban greening efforts and remaining scalable through cost-effective replication.

Alongside Dr Grey Coupland of the Harry Butler Institute, we funded a further four mini urban forests within schools in Perth that are particularly impacted by the urban heat island effect. We have now funded twelve of these fast-growing, low-maintenance native forests that help to cool thermal hotspots and provide shade and amenities. They also provide habitat for native fauna and reduce the effects of stormwater runoff. We will fund a further four forests in 2025, bringing the total number of Miyawaki forests in partnership with the Forest Outreach program to sixteen.

Since 2021, we have worked closely with community, research and industry partners to develop a data-driven, evidence-based model for site-specific Miyawaki Forests or 'Community Pocket Forests' and have facilitated the planting of over 20 Miyawaki Forests across Australia.

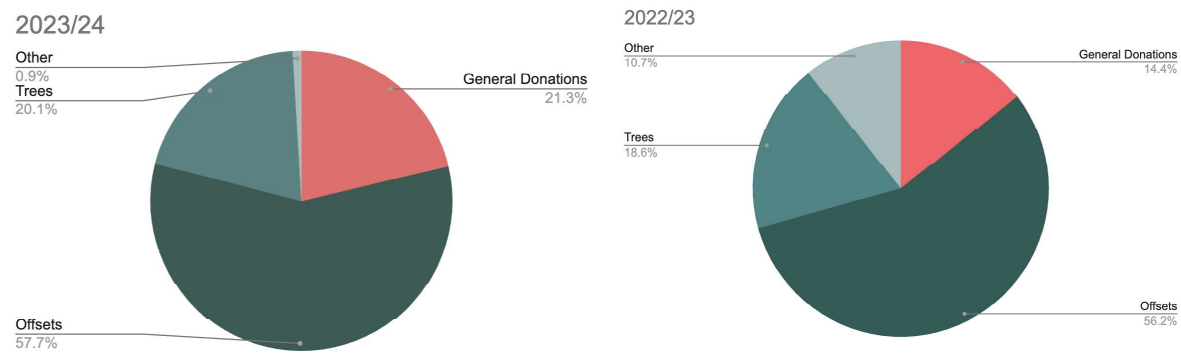
Since 2022, extensive stakeholder engagement across the Perth and Peel regions identified the need for a coordinated, region-wide approach to implementing innovative urban greening methodologies, such as the Miyawaki method. The Miyawaki methodology was identified as a desirable innovation that complements and adds value to existing urban greening policies, mitigating urban heat and enhancing biodiversity in alignment with the State government's sustainability and climate goals, Native Vegetation Policy and Urban Greening Strategy. Consequently, the Western Australian Local Government Association (WALGA) and the Department of Water and Environmental Regulation (DWER) have encouraged local governments to integrate this methodology into their urban greening policies, particularly due to its biodiversity benefits. WALGA and DWER both expressed support for the Miyawaki method through the recent announcement of Round 3 of the Urban Greening Grant Program 2024.

We have also been partnering with other forest makers across Australia and funded a further ten community projects. This was a mixture of urban pocket forests and degraded land projects, supporting groups like Activate Tree Planting, Groundswell, Regen the Plains and the Micro Forest Collective.

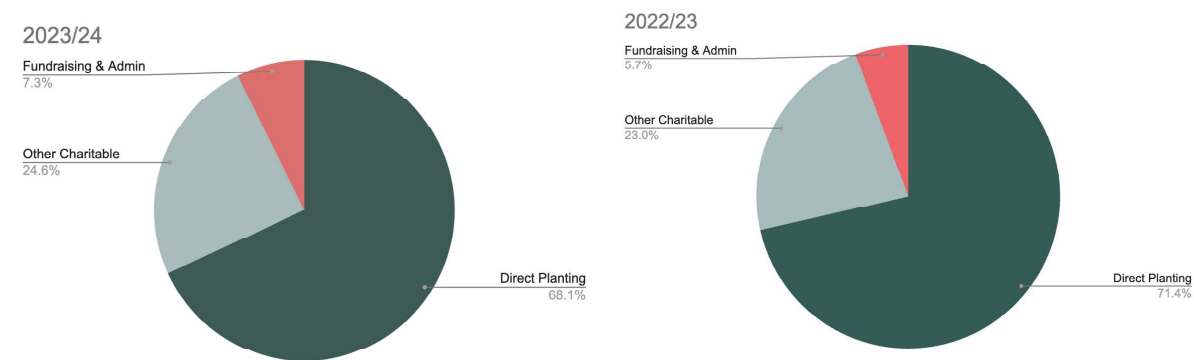
As well as our planting we continue to offer educational opportunities around carbon reduction, and sustainability topics. This year 15,081 people calculated their carbon footprint using our online calculator. We also had over 400 people sign up for our online sustainability events.

The organisation has a team of 9 (6.5 FTE) (2023: 8, (8 FTE). There were also circa 1,644 volunteers (2023: 911), which included the Board of Directors 8. 40% of our projects had volunteer participation.

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, for 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.

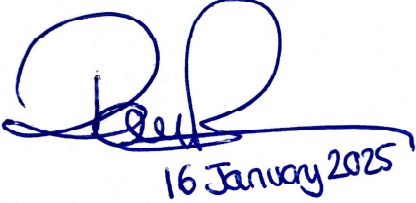
Proceedings on behalf of the company

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 in page 15 of this report

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



16 January 2025

Chair

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 2024, 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 16th day of January 2025.



Financial Report

as at 30 September 2024

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 2024 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:



Richard Pearce, 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 2024, 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 2024 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 skepticism 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 16th day of January 2025.

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Statement of Financial Position

	Note	Sept 24	Sept 23
Current Assets			
Cash and cash equivalents	6	948,671	1,098,798
Trade and other receivables	9	182,987	75,619
Inventory	8	542,578	257,979
Other current assets	10	116,154	84,972
Total current assets		1,790,390	1,517,368
Non-current assets			
Property, plant & equipment	11	49,188	66,520
Right of Use Asset	12	213,435	242,282
Total non-current assets		262,623	308,802
Total Assets		2,053,013	1,826,170
Current liabilities			
Trade and other payables	13	41,535	61,662
Current lease liability	15	17,686	13,777
Provisions and accruals	14	114,064	92,812
Total current liabilities		173,285	168,251
Non current liabilities			
Lease liabilities	15	234,585	254,141
Total non current liabilities		234,585	254,141
Total liabilities		407,870	422,392
Net Assets		1,645,143	1,403,778
Equity			
Members funds - Reserves		1,403,778	1,361,603
Retained earnings/(losses)		241,365	42,175
Total Equity		1,645,143	1,403,778

Statement of profit and loss and other comprehensive income for the year ended 30 September 2024

	Note	Sept 24	Sept 23
Revenue from continuing operations	3	1,802,263	1,765,860
Other income	4	33,088	35,286
		1,835,351	1,801,146
Less:			
Planting costs	5	517,849	645,539
Cost of other charitable activities excl. Employment expenses		24,157	26,437
Rent, rates and services		15,002	13,345
Office expenses		12,705	11,801
Operating expenses		151,559	137,687
Employment expenses		798,181	818,200
Professional services		9,627	38,643
Depreciation		52,144	53,877
		1,581,224	1,745,529
Interest expense		12,762	13,442
Net surplus before income tax		241,365	42,175

Statement of changes in equity for the year ended 30 September 2024

	Retained Earnings	Total
Balance as at 30 September 2022	1,361,603	1,361,603
Profit for the year	42,175	42,175
Other comprehensive income	0	0
Balance as at 30 September 2023	1,403,778	1,403,778
Profit for the year	241,365	241,365
Other comprehensive income	0	0
Balance as at 30 September 2024	1,645,143	1,645,143

Statement of cash flows for the year ended 30 September 2024

	Note	Sept 24 \$	Sept 23 \$
Cash flows from operating activities			
Receipts from clients and donors		1,858,091	1,916,815
Interest received		33,088	30,076
Payments to employees and suppliers		(2,021,983)	(2,136,415)
Net cash outflow from operating activities	7	(130,804)	(189,524)
Cash flows from investing activities			
Payments for property, plant & equipment		(6,562)	(3,514)
Net cash outflow from investing activities		(6,562)	(3,514)
Cash flows from financing activities			
Interest expense		(12,762)	(27,251)
Net cash outflow from financing activities		(12,762)	(27,251)
Net decrease in cash		(150,127)	(220,289)
Cash at the beginning of the financial year		1,098,798	1,319,087
Cash at the end of the financial year		948,671	1,098,798
Net decrease in cash		(150,127)	(220,289)

NOTES TO THE FINANCIAL STATEMENTS

1. Basis of Accounting

Date of Issue

The directors issued these accounts on 19th February 2025. 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 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 Material 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 Material 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 at nil value in the accounts, as the planting costs and the number of stems planted and allocated in the financial year did not leave available stock.

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 Material 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 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 is recognised by the Entity where the Entity is a lessee. However all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Summary of Material 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 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 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 to exercise 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 Material Accounting Policies (Con't)

E. **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 on 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.

F. **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 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.

G. **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

Summary of Material Accounting Policies (Con't)

months or less and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

H. **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.

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

J. **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.

K. **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.

Summary of Material Accounting Policies (Con't)

L. 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.

M. Critical Accounting Estimates and Judgments

The directors evaluate estimates incorporated into the financial statements based on historical knowledge and 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

	2024	2023
Revenue	\$	\$
Donations received for trees	168,381	88,170
Donations received	377,794	247,218
Major business offsets	801,497	742,819
Donations to offsetting	238,257	250,055
Ecards	5,965	7,225
Business plant a tree	193,669	240,925
Net grant funding	25,000	147,301
Other Revenue	(8,300)	42,147
	1,802,263	1,765,860

4. Other Income

	2024	2023
Other Income	\$	\$
Interest received	33,088	35,286

5. Major Planting Expenses

	2024	2023
Major Planting Expenses	\$	\$
Planting establishment	475,802	614,493
Monitoring costs	42,047	22,355
Landholder costs	0	8,691
	517,849	645,539

6. Cash and Cash Equivalents

	2024	2023
	\$	\$
Cash & cash equivalents		
Cash on hand	110	38
Cash at bank - Operating account	321,664	180,113
Cash at bank - Term deposit	511,718	813,460
Cash at bank - Cash reserve	101,199	91,751
Cash at bank - Lien on guarantee	13,980	13,436
	948,671	1,098,798

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

	2024	2023
	\$	\$
Reconciliation of profit after tax to net cash inflow from operating activities		
Net surplus/(loss) before income tax	241,365	42,175
Changes in operating assets & liabilities	(33,471)	16,371
(Increase)/decrease in trade and other receivables	(107,368)	(35,023)
(Increase)/decrease in inventory	(284,599)	(257,979)
Increase/(decrease) in provisions	21,252	(2,360)
Increase/(decrease) in current trade and other payables	(20,127)	(6,585)
Non cash flows in profit from ordinary activities:		
Depreciation	52,144	53,877
Net cash inflow/(outflow) from operating activities	(130,804)	(189,524)

8. Inventory

	2024	2023
	\$	\$
Opening Inventory		
Brought forward as at 1st October 2023	257,979	0
Planting establishment costs	517,849	645,539
Stock sold	(233,250)	(387,560)
Carried forward as at 30 September 2024	542,578	257,979

9. Trade and other receivables

	2024	2023
	\$	\$
Trade & other receivables		
Trade debtors	175,223	60,805
GST receivable	0	9,532
Other receivable	7,764	5,282
	182,987	75,619

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

10. Other current assets

	2024	2023
	\$	\$
Other current assets		
Prepayments	111,692	80,510
Rental Bond on premises	4,462	4,462
	116,154	84,972

11. Property, plant and equipment

	\$	\$	\$	\$
Fixed Assets	Fixtures	Plant	Equipment	Total
Asset Value	56,611	34,283	30,183	121,077
Accumulated depreciation	(29,248)	(25,849)	(16,792)	(71,889)
Total Fixed Assets	27,363	8,434	13,391	49,188

Movement in carrying amounts	\$	\$	\$	\$
	Fixtures	Plant	Equipment	Total
Balance as at 1st October 2023	38,684	14,548	13,288	66,520
Additions	0	3,245	2,720	5,965
Depreciation on existing assets	(11,322)	(9,184)	(2,515)	(23,021)
Depreciation on new assets	0	(174)	(102)	(276)
Carrying amount as at 30 September 2024	27,362	8,435	13,391	49,188

12. Right of use assets

AASB 16 related amounts recognised in the balance sheet

	2024	2023
	\$	\$
Leased Building	287,838	287,838
Accumulated Depreciation	(74,403)	(45,556)
Total Right of Use Asset	213,435	242,282
 Movement in carrying amounts		
Carrying amount as at 1st October 2023	242,282	271,050
Additions		
Disposals		
Depreciation on existing assets	(28,847)	(28,768)
Carrying amount as at 30 September 2024	213,435	242,282

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

	2024	2023
	\$	\$
Interest expense on leased liability	12,762	13,442
Repayment of leased liabilities	28,409	27,251
Depreciation charge related to right of use assets	28,847	28,768

Total future lease payments at the end of the reporting period

	2024	2023
	\$	\$
No later than 1 year	29,602	28,409
Between 1 to 5 years	160,400	143,905
Greater than 5 years	116,959	163,055
Total lease payments	306,961	335,369
Total lease payments include interest and leasehold payments		

13. Trade and other payables

	2024	2023
	\$	\$
Trade and other payables		
Trade creditors	0	32,505
Superannuation	5,696	11,807
PAYG	17,727	17,345
GST	18,107	0
Other	5	5
	41,535	61,662

14. Provisions and accruals

	2024	2023
	\$	\$
Provisions and accruals		
Audit fee provision	7,950	7,500
Accrued annual leave	23,858	37,630
Accrued expenses	56,423	38,002
Wages Payable	25,833	9,680
	114,064	92,812

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

	2024	2023
	\$	\$
Lease liabilities		
Current lease liability	17,686	13,777
Long term lease liability	234,585	254,141
	252,271	267,918

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

During the financial year the following fees were paid or payable for services provided by Moore Australia, the auditor of the company

	2024	2023
	\$	\$
Audit services		
Audit of the financial statements	7,950	7,500

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

	2024	2023
	\$	\$
Total Remuneration paid (salary)	130,837	140,000

Louise-Marlena Tarrier is also a Director. The directors are volunteers and have no beneficial interest in the company. Catherine Patterson is an employee of the organisation and was also the Company Secretary until February 2024.

18. Related party transactions

Richard Pearce the Chair was paid \$5,500 (2023 \$,0) as a gratuity for services rendered.

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 2024.

- 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 2024, the number of members was 64 (2023: 58).

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.