ENVIRONMENTAL DEFENDERS OFFICE LIMITED
ABN 72 002 880 864

FINANCIAL REPORT FOR THE YEAR ENDED
30TH JUNE 2019

ENVIRONMENTAL DEFENDERS OFFICE LIMITED
ABN 72 002 880 864

CONTENTS

DIRECTORS' REPORT
FOR THE YEAR ENDED 30TH JUNE 2019

The Directors present this report on the company for the financial year ended 30th June 2019.

Directors
The following persons held the office of director during the year and up to report date:

Dr Bronwyn Darlington, Chairperson
Appointed 23/10/2013
Researcher/Lecturer, University of Sydney Business School
Attended 7 of 7 meetings

The Hon. Kevin Rozzoli AM, Deputy Chairperson
Appointed 2/05/2012
Consultant
Attended 4 of 7 meetings

Mr Paul Brown, Honorary Treasurer
Appointed 16/02/2016
Senior Lecturer, University of Technology Sydney
Attended 7 of 7 meetings

Ms Jane Wilder, Secretary
Appointed 1/12/2015
Solicitor
Attended 6 of 7 meetings

The Hon. Jane Mathews AO
Appointed 23/10/2013; ceased 12/03/2019
Judge, Supreme Court of NSW
Attended 3 of 5 meetings

Dr Ronnie Harding
Appointed 21/10/2009; ceased 30/10/2018
Retired Academic (Environmental Studies, University of NSW)
Attended 0 of 2 meetings

Mr Jeff Smith
Appointed 28/03/2017, resigned 28/07/2017, re-appointed 20/03/2018
Consultant
Attended 6 of 7 meetings

Ms Leonie Gale
Appointed 5/08/2016; ceased 30/10/2018
President, Hastings Landcare, Inc.
Attended 1 of 2 meetings

Ms Catherine Hathaway
Appointed 29/06/2018
Global Head of Human Resources, Graincorp
Attended 5 of 7 meetings

Mr Joe Morrison
Appointed 07/06/2019
Director, Six Seasons Pty Ltd
Attended 1 of 1 meeting

Prof Jan McDonald
Appointed 07/06/2019
Professor of Environmental and Climate Law, University of Tasmania
Attended 1 of 1 meeting

Ms Jess Feehely
Appointed 07/06/2019; ceased 24/06/2019
Executive Officer (Research), Tasmania Law Reform Institute, University of Tasmania
Attended 1 of 1 meeting

Net Surplus on Operations

The net surplus of the company for the financial year was $201,415 (2018 – net surplus $452,015).

Review of Operations

A review of the company operations during the financial year and the results of those operations are as follows:

The company's operations during the year performed as expected in the opinion of the directors.

Significant Changes in State of Affairs

There have been no significant changes in the state of the company's affairs during the financial year.

DIRECTORS' REPORT (Continued)
FOR THE YEAR ENDED 30TH JUNE 2019

Principal Activities

The principal activities of the company during the course of the year were:

Provision of Environmental Law Services

There have been no significant changes in the nature of these activities during the year.

Short-term and Long-term Objectives

The company's long-term objective is to contribute to a sustainable environment protected through the rule of law.

The short-term objectives are:
- Effective legal protection of the environment
- Empowered community
- Leadership & influence
- Dynamic sustainable organisation

Strategies

The company's strategies are:
- Public interest lawyering
- Policy and law reform
- Community legal education
- Multi-disciplinary approach supported by sound science
- Communications and media

Key Performance Measures

The company measures its performance through the use of both qualitative and quantitative indicators which are identified in the Strategic and Operational Plans of the organisation. These are approved and monitored through written reports to the Board of Directors. Copies of the Plans are available to members on request.

After Balance Date Events

An Extraordinary General Meeting of the members of the company was held on 08 August 2019 at which they resolved to accept a modified version of the Constitution, and to merge with the other EDO offices around the country. The Constitution came into effect on 03 September 2019. The merger transaction is still under negotiation but is expected to be completed in FY 19/20.

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

Future Developments

The company expects to maintain the present status and a similar level of operations. EDO NSW has been largely dependent on grants as its major source of income. Although the level of income from grants from the Public Purpose Fund and from the Commonwealth Government has decreased since 2012, a range of alternative grants have been secured for its activities until 30 June 2019. At the same time, EDO NSW is increasing the proportion of its income from alternative independent sources such as donations and fees; it has significant contributions secured for 2019-2020.

Environmental Issues

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

ENVIRONMENTAL DEFENDERS OFFICE LIMITED
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DIRECTORS' REPORT (Continued)
FOR THE YEAR ENDED 30TH JUNE 2019

Dividends

The Memorandum of Association of the company prohibits the company from paying dividends and, accordingly, no dividends have been declared or paid during the financial year.

Options

No options over issued shares or interests in the company were granted during or since the end of the financial year. Furthermore, there were no options outstanding at the date of this report.

Liability of Members

The company is incorporated under the Corporations Act 2011 and is a company limited by guarantee. If the company is wound up, the Articles state that each member may be required to contribute a maximum of $10.00 towards meeting any obligations of the company. At 30th June 2019, the total amount that members of the company are liable to contribute if the company winds up is $520.00.

Indemnities Granted

There have been no indemnities granted or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company.

Actions

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 these proceedings.

The company was not a party to such proceedings during the year.

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 is set out on the next page.

This statement is made in accordance with a resolution of the Board of Directors and is signed for an on behalf of the directors by:

B Darlington
....
Name: Bronwyn Darlington
Title: EDO Limited Chair

....
Name: Jeff Smith
Title: Director

Dated this 3 day of October 2019

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 60-40 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012 TO THE DIRECTORS OF ENVIRONMENTAL DEFENDERS OFFICE LIMITED

In accordance with the requirements of section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012, as auditor of Environmental Defenders Office Limited,

I declare that to the best of my knowledge and belief, during the year ended 30th June 2019, there have been:

(i) no contraventions of the auditor independence requirements of the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and

(ii) no contravention of any applicable code of professional conduct in relation to the audit.

JOSEPH PIEN
Chartered Accountant
J. Pien CA
Registered Company Auditor

Sydney, 10th October 2019

ENVIRONMENTAL DEFENDERS OFFICE LIMITED
ABN 72 002 880 864

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30TH JUNE 2019

	Note	2019 $	2018 $
Revenue from Ordinary Activities	2	3,385,169	2,927,869
Expenses from Ordinary Activities excluding Borrowing Costs	3	3,183,754	2,475,854
Surplus from Ordinary Activities before Income Tax		201,415	452,015
Income tax relating to Ordinary Activities		-	-
Surplus from Ordinary Activities		201,415	452,015
Total Comprehensive Income for the year net of tax		201,415	452,015
Total Comprehensive Income attributable to members of the entity		201,415	452,015

The accompanying notes form part of these financial statements and should be read in conjunction herewith.

ENVIRONMENTAL DEFENDERS OFFICE LIMITED
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STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2019

	Note	2019 $	2018 $
ASSETS			
CURRENT ASSETS			
Cash on Hand	5	2,574,653	2,077,896
Accounts Receivable and Other Debtors	6	38,523	134,625
Other Current Assets	7	110,130	114,955
TOTAL CURRENT ASSETS		2,723,306	2,327,476
NON CURRENT ASSETS			
Property Plant & Equipment	8	12,993	20,945
TOTAL NON CURRENT ASSETS		12,993	20,945
TOTAL ASSETS		2,736,299	2,348,421
LIABILITIES			
CURRENT LIABILITIES			
Accounts Payable and Other Payables	9	710,223	563,056
Employee Provisions	10	198,172	174,757
TOTAL CURRENT LIABILITIES		908,395	737,813
NON CURRENT LIABILITIES			
Employee Provisions	10	77,653	61,772
TOTAL NON CURRENT LIABILITIES		77,653	61,772
TOTAL LIABILITIES		986,048	799,585
NET ASSETS		1,750,251	1,548,836
EQUITY			
Retained Surplus		1,750,251	1,548,836
TOTAL EQUITY		1,750,251	1,548,836

The accompanying notes form part of these financial statements
and should be read in conjunction herewith.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2019

	Retained Surplus $	Total $
Balance 1st July 2017	1,096,821	1,096,821
Net Surplus for the year	452,015	452,015
Balance 30th June 2018	1,548,836	1,548,836
Balance 1st July 2018	1,548,836	1,548,836
Net Surplus for the year	201,415	201,415
Balance 30th June 2019	1,750,251	1,750,251

The accompanying notes form part of these financial statements and should be read in conjunction herewith.

ENVIRONMENTAL DEFENDERS OFFICE LIMITED
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2019

	2019 $	2018 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Contributions, grants and receipts from customers	3,427,839	2,958,048
Interest received	46,905	30,131
Payments to suppliers and employees	(2,977,988)	(2,366,412)
Net cash provided by Operating Activities	496,756	621,767
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for Property, Plant and Equipment	0	(8,683)
Net cash used in investing activities	0	(8,683)
Net Increase in cash held	496,756	613,084
Cash at the beginning of Financial Year	2,077,897	1,464,813
Cash at End of Financial Year	2,574,653	2,077,897

The accompanying notes form part of these financial statements and should be read in conjunction herewith.

ENVIRONMENTAL DEFENDERS OFFICE LIMITED
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2019

	2019 $	2018 $
Reconciliation of Cash		
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:		
Cash on Hand	150	250
Cash at bank	2,574,503	2,077,646
	2,574,653	2,077,896
Reconciliation of Net Cash provided by Operating Activities to Net Surplus after Income Tax		
Net Surplus after Income Tax	201,415	452,015
Non cash flows in Operating Surplus		
Depreciation	7,952	7,528
Increase) in Employee Entitlements	39,295	(17,966)
Changes in Assets and Liabilities		
Increase in Receivables and other Financial Assets	100,927	(86,001)
Decrease in Creditors and Borrowings	(75,908)	112,511
Increase in Income in Advance	223,075	153,680
Net Cash provided by Operating Activities	496,756	621,767

The accompanying notes form part of these financial statements and should be read in conjunction herewith.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Environmental Defenders Office Limited is a company limited by guarantee, incorporated and domiciled in Australia.

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the requirements of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012,* Australian Accounting Standards and Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements, except for the cash flow information, have been prepared on an accruals 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 report have been rounded to the nearest dollar.

Accounting Policies

(a) Revenue

Non-reciprocal grant revenue is recognised in profit or loss 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 state of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Environmental Defenders Office Limited 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 the statement of profit or loss and other comprehensive income.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest 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 customer.

All revenue is stated net of the number of goods and services tax.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Fair Value of Assets and Liabilities

The company measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.
Fair value is the price the company would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

(c) Property, Plant and Equipment

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

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(g) for details of impairment).

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.
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 is depreciated on a straight line basis over the asset's useful life to the entity commencing from the time the asset available 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 are:

Class of Fixed Asset	Depreciation Rate
Plant and Equipment	20%

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in the income statement in the period in which they arise. When revalued assets are sold, amounts included in the revaluation reserved relating to that asset are transferred to retained earnings.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to 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 transactions 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 either fair value, amortised cost using the effective interest rate method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as: (i) the amount at which the financial asset or financial liability is measured at initial recognition; (ii) less principal repayments; (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and (iv) less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

(i) *Financial assets at fair value through profit or loss*
Financial assets are classified at "fair value through profit or loss" when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(ii) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iv) *Available-for-sale investments*

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any re-measurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are not expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

(v) *Financial liabilities*

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset or a group of financial assets will be deemed to be impaired if, and only if, there is objective evidence of impairment as a result of the occurrence of one or more events (a "loss event"), which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified into profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors, or a group of debtors, are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter into bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amounts of financial assets impaired by credit losses. After having undertaken all possible measures of recovery, if the management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance accounts.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability, which is extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(e) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying amounts 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 of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised 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 an asset's class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

Where an impairment loss on a revalued asset is identified, this is recognised 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 class of asset.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Employee Provisions

Short-term employee provisions

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.

(g) Other long-term employee provisions

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the re-measurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as a part of employee benefits expense.

The company's obligations for long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

(h) Cash on Hand

Cash on hand includes 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 members as well as amounts receivable from customers for goods sold in the ordinary course of business. 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.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(e) for further discussion on the determination of impairment losses.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(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, 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.

(k) 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.*

(l) Intangibles

Software

Software is recorded at cost. It has a finite life and is carried at cost less accumulated amortisation and any impairment losses. Software has an estimated useful life of between one and three years. It is assessed annually for impairment.

(m) 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.

(n) Comparative Figures

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

When the company retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding comparative period, in addition to the minimum comparative financial statements, must be disclosed.

(o) Accounts Payable and Other Payables

Accounts payable 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 amounts normally paid within 30 days of recognition of the liability.

(p) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements 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.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(q) New Accounting Standards for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which are relevant to the company. The company has decided not to early adopt any of the new and amended pronouncements. The company's assessment of the new and amended pronouncements that are relevant to the company but applicable in future reporting periods is set out below:

AASB 9: *Financial Instruments* (December 2014) and associated Amending Standards (applicable for annual reporting periods commencing on or after 1 January 2019).

These Standards will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and include revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments, and simplified requirements for hedge accounting.

The key changes that may affect the company on initial application of AASB 9 and associated Amending Standards include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to the hedging of non-financial items. Should the company elect to change its hedge accounting policies in line with the new hedge accounting requirements of AASB 9, the application of such accounting would be largely prospective.

Although the directors anticipate that the adoption of AASB 9 may have an impact on the company's financial instruments, it is impracticable at this stage to provide a reasonable estimate of such impact.

(r) Economic Dependence

Environmental Defenders Office Limited is dependent on Grants received from the NSW Government and the Public Purpose Fund administered by the Law Society of NSW for a significant proportion of its revenue used to operate the business (37.4% in 2019 financial year). At the date of this report, the Board of Directors have been advised that the Public Purpose Fund and the NSW governments have approved $1,106,018 for 2019 financial year.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2019

	2019 $	2018 $
2. REVENUE FROM ORDINARY ACTIVITIES		
Operating Revenue:-		
Rendering Services	300,764	551,893
Grants Received	1,704,069	1,377,437
Donations and Memberships	1,314,205	955,709
	3,319,038	2,885,039
Non-operating Revenue		
Interest Received	46,905	30,130
Other Revenue	19,226	12,700
	66,131	42,830
	3,385,169	2,927,869

3. EXPENSES FROM ORDINARY ACTIVITIES

	2019 $	2018 $
Employee Benefits Expense	2,183,025	1,951,287
Depreciation - Office Furniture and Equipment	7,952	7,528
Rent	197,946	199,931
Auditor Remuneration	12,000	11,682
Doubtful Debts	-	5,000
Bookkeeping & Accountancy	44,692	39,944
Other Expenses	738,139	260,482
	3,183,754	2,475,854

	2019 $	2018 $
4. NET SURPLUS		
Net surplus from ordinary activities before income tax expense has been determined after accounting for:		
Charging as Expense		
Movements in Provisions		
Depreciation - Office Furniture and Equipment	7,952	7,528
Employee Entitlement Provisions	(8,422)	(19,610)
	(470)	(12,082)
Bad & Doubtful Debts		
Doubtful Debts	0	5,000
Remuneration of the Auditor		
Financial Services	12,000	11,682
Other Services	-	-
	12,000	11,682
Crediting as Income:		
Interest from - Other Corporations	46,905	30,130

5. CASH ON HAND

	2019 $	2018 $
Cash on Hand	150	250
Cash at Bank - National Australia Bank	122	202
Credit Union of Australia	413,977	557,474
National Australia Bank	350,720	57,760
Credit Union of Australia - Term Deposits	987,678	972,319
Credit Union of Australia - Environmental Defender's Fund	822,006	489,891
	2,574,653	2,077,896

6. ACCOUNTS RECEIVABLE

	2019 $	2018 $
Accounts Receivable	42,754	136,549
Less Provisions for Impairment	(5,000)	(5,000)
	37,754	131,549
Client reimbursable expenses	769	3,076
Less Provision for Impairment	-	-
	769	3,076
	38,523	134,625
Provision for Impairment		
Balance 30 June 2018	0	0
Charge for year (bad debts written off)	(0)	(0)
Provision for Impairment as at 30 June 2019	0	0

Credit risk

The company does not have any material credit risk exposure to any single receivable or group of receivables.

The following table details the company's trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the company and the customer or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the company.

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

	Gross Amount $	Past due and impaired $	Past due but not impaired (days overdue) < 30 $	31-60 $	61-90 $	> 90 $	Within initial trade terms $
2019							
Trade and term receivables	42,754	0	17,514	1,643	5,655	17,942	42,754
Total	42,754	0	17,514	1,643	5,655	17,942	42,754
2018							
Trade and term receivables	136,549	0	132,046	2,973	1,060	470	136,549
Total	136,549	0	132,046	2,973	1,060	470	136,549

7. OTHER - CURRENT ASSETS

	2019 $	2018 $
Prepayments & Sundry Debtors	26,529	40,503
GST Refundable	3,659	0
Deposits on Office Leases	79,942	74,452
	110,130	114,955

8. PROPERTY PLANT AND EQUIPMENT

Plant and Equipment

Cost

	$
Balance 1 July 2017	81,408
Additions	8,683
Disposals	0
Balance 30 June 2018	90,091
Balance 1 July 2018	90,091
Additions	0
Disposals	(0)
Balance 30 June 2019	90,091

Plant and Equipment

Accumulated Depreciation and Impairment Losses

	$
Balance 1 July 2017	61,618
Depreciation for Year	7,528
Disposals	(0)
Balance 30 June 2018	69,146
Balance 1 July 2018	69,146
Depreciation for Year	7,952
Disposals	(0)
Balance 30 June 2019	77,098

Carrying Amount

	$
30 June 2018	20,945
30 June 2019	12,993

	2019 $	2018 $
9. ACCOUNTS PAYABLE		
Accounts Payable & Accruals	173,992	204,672
Income in Advance	481,639	258,564
GST Payable	0	52,729
PAYG Payable	39,237	34,500
Superannuation Payable	15,355	12,591
	710,223	563,056
10. EMPLOYEE PROVISIONS		
Provision for Employee Entitlements	275,825	236,529
Opening Balance at 1 July 2018	236,529	254,495
Provisions raised/(reduced) during the year	41,296	(17,966)
Balance 30th June 2019	277,825	236,529
Analysis of Total Provisions		
Current	198,172	174,757
Non Current	77,653	61,772
	275,825	236,529

11. PROVISION FOR LONG-TERM EMPLOYEE BENEFITS

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 1 to this report.

12. CONTINGENT LIABILITIES/LEASE COMMITMENTS

OPERATING LEASE

	2019 $	2018 $
Amounts payable on operating leases of premises and equipment		
Due with 1 year	197,185	196,644
Due within 1-5 years	-	-
Due after 5 years	-	-
	197,185	196,644

13. FINANCIAL RISK MANAGEMENT

The company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, loans, bills and leases.

The totals for each category of financial instruments, measured in accordance with ASSB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2019 $	2018 $
Financial assets			
Cash and cash equivalents	5	2,574,653	2,077,896
Loans and receivables	6	38,523	134,625
		2,613,176	2,212,521
Financial liabilities			
Financial liabilities at amortised cost:			
- Accounts payable	9	710,223	563,056
		710,223	563,056

FINANCIAL RISK MANAGEMENT (cont'd)

Financial Risk Management Policies

The directors' overall risk management strategy seeks to assist the company in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the Board of Directors on a regular basis. These include the credit risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management

The main risks the company is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

a. Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at reporting date whereby a future change in interest rates will affect future cash flows or the fair value of fixed rated financial instruments. The company is also exposed to earnings volatility on floating rate instruments.

b. Liquidity risk

Liquidity risk arises from the possibility that the company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The company manages this risk through the following

- preparing forward looking cash flow analysis in relation to its operational, investing and financing activities;
- obtaining funding from a variety of sources;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflect the earliest contractual settlement dates and do not reflect management's expectations that banking facilities will be rolled forward.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2019

FINANCIAL RISK MANAGEMENT (cont'd)

Financial liability and financial asset maturity analysis

	Within 1 Year		1 to 5 Years		Over 5 Years		Total contractual cash flow	
	2019	2018	2019	2018	2019	2018	2019	2018
	$	$	$	$	$	$	$	$
Financial Liabilites due for payment								
Trade and other payables (excluding est. annual leave)	710,223	563,056	-	-	-	-	710,223	563,056
Total contractual outflows	710,223	563,056	-	-	-	-	710,223	563,056
Total expected outflows	710,223	563,056	-	-	-	-	710,223	563,056

	Within 1 Year		1 to 5 Years		Over 5 Years		Total contractual cash flow	
	2019	2018	2019	2018	2019	2018	2019	2018
	$	$	$	$	$	$	$	$
Financial Assets cash flows realisable								
Cash and cash equivalents	2,574,653	2,077,896	-	-	-	-	2,574,653	2,077,896
Trade, term and loan receivables	38,523	134,625	-	-	-	-	38,523	134,625
Total anticipated inflows	2,613,176	2,212,521	-	-	-	-	2,613,176	2,212,521
Net (outflow)/inflow on financial instruments	1,902,953	1,649,465	-	-	-	-	1,902,953	1,649,465

FINANCIAL RISK MANAGEMENT (cont'd)

c. Foreign exchange risk

The company is not exposed to fluctuations in foreign currency.

d. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the company.

Credit risk is managed through maintaining procedures ensuring, to the extent possible, that customers and counterparties to transactions are of sound credit worthiness. It includes the utilisation of systems for the approval, granting and renewal of credit limits, the regular monitoring of exposures against such limits and the monitoring of the financial stability of significant customers and counterparties. Such monitoring is used in assessing receivables for impairment. Depending on the division within the company, credit terms are generally 30 days from the date of invoice.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the Board of Directors has otherwise cleared as being financially sound. Where the company is unable to ascertain a satisfactory credit risk profile in relation to a customer or counterparty, then risk may be further managed through title retention clauses over goods or obtaining security by way of personal or commercial guarantees over assets of sufficient value which can be claimed against in the event of any default.

Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets at balance date, excluding the value of any collateral or other security held, is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the balance sheet. There are no material amounts of collateral held as security at 30 June 2019.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed at Note 6.

The company does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the company. The trade receivables balances at 30 June 2019 and 30 June 2018 do not include any counterparties with external credit ratings. Customers are assessed for credit worthiness using the criteria detailed above.

FINANCIAL RISK MANAGEMENT (cont'd)

Credit risk related to balances with banks and other financial institutions is managed by the Board of Directors in accordance with approved Board policy. Such policy requires that surplus funds are only invested with counterparties with a Standard and Poor's (S&P) rating of at least AA-. The following table provides information regarding the credit risk relating to cash and money market securities based on S&P counterparty credit ratings.

	2019	2018
	$	$
Cash and cash equivalents		
- AA rated	2,574,553	2,077,896
	2,574,553	2,077,896

e. Net Fair Values

Fair value estimation

The fair value of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the balance sheet. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgment and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

Differences between fair values and carrying values of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the company. Most of these instruments which are carried at amortised cost (i.e. term receivables, loan liabilities) are to be held until maturity and therefore the net fair value figures calculated bear little relevance to the company.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2019

FINANCIAL RISK MANAGEMENT (cont'd)

	2019		2018	
	Net Carrying Value	Net Fair Value	Net Carrying Value	Net Fair Value
	$	$	$	$
Financial assets				
Cash and cash equivalents	2,574,653	2,574,653	2,077,896	2,077,896
Trade and other receivables	38,523	38,523	134,625	134,625
Total financial assets	2,613,176	2,613,176	2,212,521	2,212,521

	2019		2018	
	Net Carrying Value	Net Fair Value	Net Carrying Value	Net Fair Value
	$	$	$	$
Financial liabilities				
Trade and other payables	710,223	710,223	563,056	563,056
Total financial liabilities	710,223	710,223	563,056	563,056

The fair values disclosed in the above table have been determined based on the following methodologies.

(i) Cash and cash equivalents, trade and other receivables and trade and other payables are short term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables excludes amounts provided for relating to annual leave which is not considered a financial instrument.

FINANCIAL RISK MANAGEMENT (cont'd)

Sensitivity Analysis

The following table illustrates sensitivities to the company's exposures to changes in interest rates, commodity and equity prices. The table indicates the impact on how profit and equity values reported at balance date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

		Profit		Equity
		$		$
Year ended 30 June 2019				
+/- 1.2% in interest rates	+/-	9,800	+/-	9,800
		Profit		**Equity**
		$		**$**
Year ended 30 June 2018				
+/- 1.2% in interest rates	+/-	11,462	+/-	11,462

14. BUSINESS DETAILS

The principal place of business is:
Environmental Defenders Office Limited
Level 5, 263 Clarence Street, Sydney, NSW, 2000

The principal activities of the business include:
Provision of Environmental Law Services

15. AFTER BALANCE DATE EVENTS

An Extraordinary General Meeting of the members of the company was held on 08 August 2019 at which they resolved to accept a modified version of the Constitution, and to merge with the other EDO offices around the country. The Constitution came into effect on 03 September 2019. The merger transaction is still under negotiation but is expected to be completed in FY 19/20

ENVIRONMENTAL DEFENDERS OFFICE LIMITED
ABN 72 002 880 864

INTERNATIONAL AID AND DEVELOPMENT INCOME STATEMENT FOR THE YEAR ENDED 30TH JUNE 2019

	Note	2019 $	2018 $
REVENUE			
Donations and gifts			
Monetary	1	11,554	461
Non-monetary	2	432,221	6,023
Grants - AusAid	3	51,992	0
- Overseas		360,123	232,152
Other income		0	0
TOTAL REVENUE		855,890	238,636
EXPENDITURE			
International Programs			
Monetary		403,877	217,385
Non-monetary		432,221	6,023
Community Education		0	0
Fundraising Costs	4	0	0
Accountability and Administration		19,792	10,644
TOTAL EXPENSES		855,891	234,051
SURPLUS OF REVENUE OVER EXPENDITURE	5	-1	4,585

Notes

1. Funds gifted as domestic, community-based grants – only expended amount listed.
2. This includes Barristers' fees valued at $390,778, Experts' fees valued at $21,512, and volunteers' services valued at $19,932.
3. Grant from DFAT – Solomon Islands Justice Project.
4. EDO NSW incurred fundraising expenses of $98,530 during the 2017-18 year. Most of these expenses related to direct mail appeals to the public, regular giving and the major gifts program. None of these was directed to funding the international program. Consequently, it was determined that there were no materially significant fundraising expenses related to the International Program and therefore no fundraising costs are reported on the International Aid and Development Income Statement.
5. Variance due to Rounding.

ENVIRONMENTAL DEFENDERS OFFICE LIMITED
ABN 72 002 880 864

INTERNATIONAL AID AND DEVELOPMENT
TABLE OF CASH MOVEMENTS FOR DESIGNATED PURPOSES
FOR THE YEAR ENDED 30TH JUNE 2019

	Cash available at beginning of financial year	Cash raised during financial year	Cash disbursed during financial year	Cash available at end of financial year
Conservation International	(10,426)	23,892	13,466	0
Rainforest Foundation of Norway	84,968	207,500	284,327	8,141
The Christensen Foundation	10,497	0	7,384	3,113
EDLC	5,482	0	5,482	0
SPREP	28,008	20,897	48,905	0
Fiji Environmental Law Association	8,837	0	4,050	4,787
Greenpeace Australia-Pacific	0	20,000	8,313	11,687
DFAT – Solomon Is. Justice Program	0	100,000	51,992	48,008
Morris Family Foundation	0	25,000	3,241	21,759
Total for other non-designated purposes	1,950,530	3,077,456	2,550,828	2,477,158
TOTAL	2,077,896	3,474,745	2,977,988	2,574,653

Declaration
This International Aid & Development Income Statement has been prepared in accordance with the requirements set out in the ACFID Code of Conduct. For further information on the Code, please refer to the ACFID Code of Conduct Implementation Guidance available www.acfid.asn.au.

ENVIRONMENTAL DEFENDERS OFFICE LIMITED
ABN 72 002 880 864

RESPONSIBLE PERSONS' DECLARATION
FOR THE YEAR ENDED 30TH JUNE 2019

The responsible person of the entity declares that:
In the responsible persons' opinion

1. there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

2. The financial statements and notes to the accounts satisfy the requirements of the Australian Charities and Not-for-profits Commission Act 2012.

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

B Darlington
....
Name: Bronwyn Darlington
Responsible Person

Dated this 3 day of October 2019

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
ENVIRONMENTAL DEFENDERS OFFICE LIMITED

INDEPENDENT AUDITOR'S REPORT

To the Members of Environmental Defenders Office Limited

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Environmental Defenders Office Limited, which comprises the statement of financial position as at 30 June 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the responsible entities' declaration.

In my opinion, the financial report of Environmental Defenders Office Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

(a) giving a true and fair view of the registered entity's financial position as at 30 June 2019 and of its financial performance for the year then ended; and

(b) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the registered entity 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 my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other Information

The responsible entities are responsible for the other information. The other information comprises the information included in the registered entity's annual report for the year ended 30 June 2019, but does not include the financial report and my auditor's report thereon.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Responsible Entities for the Financial Report

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

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

The responsible entities are responsible for overseeing the registered entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional skepticism throughout the audit. I 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 my 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 registered entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by responsible entities.

- Conclude on the appropriateness of the responsible entity's 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 registered entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My 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 registered entity 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.

I communicate with the responsible entities regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Dated this 10th day of October 2019

Joseph Pien
Chartered Accountant
Level 5, 276 Pitt Street Sydney NSW 2000

ENVIRONMENTAL DEFENDERS OFFICE LIMITED
ABN 72 002 880 864

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2019

	2019 $	2018 $
INCOME		
Public Purpose Fund Grant	842,000	825,000
Lead Environment Community Grant	0	40,000
NSW CLSP Grant	266,687	231,223
Other Project Grants	0	36,667
EPLA Research Grant	5,000	5,000
Fundraising, Memberships & Philanthropic Grants	1,314,205	955,709
Programs Income	590,382	239,468
Professional Fees	300,764	551,893
Interest Received	46,905	30,130
Miscellaneous Income	19,226	12,779
	3,385,169	2,927,869
EXPENDITURE		
Auditor's Remuneration	12,000	11,682
Accountancy & Bookkeeping	44,692	39,944
Bad Debts Written Off	0	7,377
Bank & Government Charges	2,478	2,635
Board Costs	7,229	2,956
CEPF Expenses	4,356	5,372
Conferences, Programs & Workshops	257,927	64,665
Consultants Fees	0	0
Depreciation	7,952	7,528
Disbursements - non recoverable	8,434	185
Doubtful Debts	0	5,000
Employees Entitlement Provision	39,296	(17,966)
Employee Expenses	9,707	8,830
Fundraising Expenses	98,350	53,590
Information Technology Expenses	39,323	24,571
Insurance	13,552	14,499
Lease Payments	4,488	0
Light & Power	7,734	7,957
Loss on Disposal - Fixed Assets	0	0
Office Costs	9,126	6,641
Carried Forward	566,644	245,466

ENVIRONMENTAL DEFENDERS OFFICE LIMITED
ABN 72 002 880 864

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2018

		2019	2018
		$	$
EXPENDITURE (Continued)			
	Brought Forward	566,644	245,466
Organisational Development		240,072	24,440
Postage & Couriers		3,077	3,649
Printing & Stationery		7,459	10,744
Rent - Office		197,946	199,931
Repairs & Maintenance		507	237
Salaries & Wages		1,928,031	1,772,332
Staff Training & Welfare		11,907	10,173
Staff Amenities		5,298	5,234
Staff Recruitment		1,812	1,400
Subscriptions		12,837	14,262
Superannuation Contributions		178,347	162,445
Telephone & Internet		15,498	12,987
Travelling Expenses		14,319	12,554
		3,183,754	2,475,854
OPERATING PROFIT BEFORE INCOME TAX		201,415	452,015