ENVIRONMENTAL DEFENDERS OFFICE LTD

ABN 72 002 880 864

FINANCIAL REPORT FOR THE YEAR 30th JUNE 2021

Contents

ENVIRONMENTAL DEFENDERS OFFICE LTD

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Directors' Report for the year ended 30 June 2021

Your directors present this report on the Entity for the financial year ended 30 June 2021.

Directors

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

Dr Bronwyn Darlington
Dr Kate Galloway
The Hon. Michael Barker
Mr Pepe Clarke
Ms Catherine Hathaway
Prof Jan McDonald
Mr Joe Morrison
Mr Phillip Vernon
Mr Brent Wallace
Ms Rachel Eberhard
Mr Jeff Smith
Ms Susanne Behrendt

Principal Activities

The principal activity of the Entity during the financial year was the 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 Entity's short-term objectives are:

- Effective legal protection of the environment
- An empowered community
- Leadership & influence
- A dynamic sustainable organisation

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

Strategies

To achieve its stated objectives, the Entity has adopted the following strategies:

- Public interest lawyering
- Policy and law reform
- Community legal education
- Multi-disciplinary approach supported by sound science
- Communications and media.

Information on Directors

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

Mr Jeff Smith
CEO, People with Disability Australia
Appointed 20/03/2018; stepped down 06/08/2020

Ms Catherine Hathaway
Chief People & Transformation Officer, Graincorp
Appointed 29/06/2018

Mr Joe Morrison
Director, Six Seasons Pty Ltd
Appointed 07/06/2019

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

Ms Susanne Behrendt
GM Finance & Operations and Company Secretary of the Institute of Managers and Leaders (IML)
Appointed 03/09/2019; stepped down 17/12/2020

The Hon. Michael Barker
Former judge of the Federal Court of Australia
Appointed 03/09/2019

Dr Kate Galloway, Deputy Chairperson
Associate Professor of Law at Griffith University
Appointed 03/09/2019

Mr Pepe Clarke
Project Director, Outback to Oceans Australia, Pew Charitable Trusts
Appointed 04/09/2019

Mr Phillip Vernon
Consultant and former Managing Director of Australian Ethical Super
Appointed 06/09/2019

Mr Brent Wallace
Co-founder of Galileo Kaleidoscope (GALKAL)
Appointed 21/05/2020

Ms Rachel Eberhard
Environmental Consultant and Researcher at Queensland University of Technology
Appointed 17/12/2020

Meetings of Directors

During the financial year, six meetings of directors were held. Attendances by each director were as follows:

Director	Number eligible to attend	Number attended
Dr Bronwyn Darlington (Chair)	6	6
Mr Jeff Smith	0	0
Ms Catherine Hathaway	6	3
Mr Joe Morrison	6	3
Prof Jan McDonald	6	6
Ms Susanne Behrendt	3	2
The Hon. Michael Barker	6	5
Mr Pepe Clarke	6	5
Dr Kate Galloway	6	5
Mr Phillip Vernon	6	5
Mr Brent Wallace	6	5
Ms Rachel Eberhard	3	3

Key Performance Measures

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

After Balance Date Events

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 Ltd 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 to zero since 2012, a range of alternative grants have been secured for its activities until 30 June 2021. At the same time, EDO Ltd is increasing the proportion of its income from alternative independent sources such as donations and fees; it has significant contributions secured for 2021-2022.

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.

Directors' Report (continued)
for the year ended 30 June 2021

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 Entity is registered with the Australian Securities and Investments Commission as well as the Australian Charities and Not-for-profits Commission and is a company limited by guarantee. If the company is wound up, the constitution states that each member may be required to contribute a maximum of $10.00 each towards meeting any outstanding obligations of the Entity. As at 30 June 2021, the total amount that members of the Entity are liable to contribute if the company is wound up is $510 (2020: $530).

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2021 has been received and can be found on page 5 of the financial report.

This directors' report is signed in accordance with a resolution of the Board of Directors.

B Darlington

Director ______________________________

Bronwyn Darlington (Chairperson)

Director ______________________________

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Phillip Vernon (Chair, Finance, Audit and Risk Sub-Committee)

Dated this 18th day of November 2021

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

In accordance with Subdivision 60-C of the *Australian Charities and Not-for-profits Commission Act 2012*, I am pleased to provide the following declaration of independence to the directors of Environmental Defenders Office Ltd. As the lead audit partner for the audit of the financial report of Environmental Defenders Office Ltd for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

i. the auditor independence requirements of the *Australian Charities and Not for Profits Commission Act 2012* in relation to the audit; and

ii. any applicable code of professional conduct in relation to the audit.

Name of Firm: Joseph Pien Chartered Accountant

Name of Partner: Joseph Pien

Dated: 19th November 2021

Suite 503, Level 5, 276 Pitt Street, Sydney NSW 2000

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENED 30 JUNE 2021

	Note	2021 $	2020 $
Revenue from ordinary activities	2	9,487,550	7,708,734
Expenses from ordinary activities	3	8,916,758	5,843,333
Surplus from ordinary activities before income tax		570,792	1,865,401
Income tax expense		0	0
Surplus from ordinary activities		570,792	1,865,401
Total comprehensive income for the year net of tax		570,792	1,865,401
Total comprehensive income attributable to members of the Entity		**570,792**	**1,865,401**

The accompanying notes form part of these financial statements.

ENVIRONMENTAL DEFENDERS OFFICE LTD

ABN 72 002 880 864

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

	Note	2021 $	2020 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	8,777,483	8,322,552
Accounts receivable and other debtors	5	247,616	469,578
Other current assets	6	460,204	450,497
TOTAL CURRENT ASSETS		**9,485,303**	**9,242,627**
NON-CURRENT ASSETS			
Property, plant and equipment	7	176,386	128,996
Right of use assets	8	48,941	287,827
TOTAL NON-CURRENT ASSETS		**225,327**	**416,823**
TOTAL ASSETS		**9,710,630**	**9,659,450**
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables	9	2,662,432	3,276,361
Lease liabilities	10	46,288	278,563
Employee provisions	11	890,285	548,513
TOTAL CURRENT LIABILITIES		**3,599,005**	**4,103,437**
NON-CURRENT LIABILITIES			
Lease liabilities	10	8,593	54,882
Employee provisions	11	216,447	185,338
TOTAL NON-CURRENT LIABILITIES		**225,040**	**240,220**
TOTAL LIABILITIES		**3,824,045**	**4,343,657**
NET ASSETS		**5,886,585**	**5,315,793**
EQUITY			
Retained surplus		5,886,585	5,315,793
TOTAL EQUITY		**5,886,585**	**5,315,793**

The accompanying notes form part of these financial statements.

ENVIRONMENTAL DEFENDERS OFFICE LTD

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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENED 30 JUNE 2021

	Retained Surplus $	Total $
Balance at 1 July 2019	1,750,251	1,750,251
Cumulative adjustment upon adoption of new Accounting Standards – AASB 16 and AASB 1058	-67,348	-67,348
Balance at 1 July 2019 (restated)	1,682,903	1,682,903
Comprehensive income		
Surplus for the year attributable to members of the Entity	1,865,401	1,865,401
Total comprehensive income attributable to members of the Entity for the year	1,865,401	1,865,401
Net equity acquired on amalgamation of all state and territory EDO entities	1,767,489	1,767,489
Balance at 30 June 2020	**5,315,793**	**5,315,793**
Balance at 1 July 2020	5,315,793	5,315,793
Comprehensive income		
Surplus for the year attributable to members of the Entity	570,792	570,792
Total comprehensive income attributable to members of the Entity for the year	570,792	570,792
Balance at 30 June 2021	**5,886,585**	**5,886,585**

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021

	2021 $	2020 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Contributions, grants and receipts from operations	8,920,561	9,188,768
Receipt of funds from merged entities	0	1,908,290
Interest received	22,462	36,540
Payments to suppliers and employees	-8,111,911	-4,905,537
Net cash generated from operating activities	**831,112**	**6,228,061**
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for property, plant and equipment	-86,143	-200,654
Net cash used in investing activities	**-86,143**	**-200,654**
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of lease liabilities	-290,038	-279,508
Net cash used in financing activities	**-290,038**	**-279,508**
Net increase in cash held	454,931	5,747,899
Cash on hand at beginning of the financial year	8,322,552	2,574,653
Cash on hand at end of the financial year	**8,777,483**	**8,322,552**

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:

	2021 $	2020 $
Cash on hand	70	231
Cash at bank	8,777,413	8,322,321
	8,777,483	**8,322,552**

Reconciliation of cash provided by Operating Activities to net surplus after income tax

	2021 $	2020 $
Net surplus after income tax	570,792	1,865,401
Non cash flows in operating surplus		
Amortisation - Right of Use Assets	250,359	257,778
Bad debts	0	23,580
Depreciation	38,753	21,100
Increase/decrease in employee entitlements	372,882	458,026
Changes in assets and liabilities		
Decrease in accounts receivable and other debtors	212,255	768,054
Decrease in accounts payable and other payables	142,853	578,574
Increase/decrease in income in advance	-756,782	2,255,548
Net cash generated from operating activities	**831,112**	**6,228,061**

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

The financial statements cover Environmental Defenders Office Ltd as an individual entity, incorporated and domiciled in Australia limited by guarantee.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The Entity 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 stated otherwise.

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

Accounting Policies

a. **Revenue**

Revenue recognition

The Entity has applied AASB 15: *Revenue from Contracts with Customers* (AASB 15) and AASB 1058: *Income of Not-for-Profit Entities* (AASB 1058) using the cumulative effective method of initially applying AASB 15 and AASB 1058 as an adjustment to the opening balance of equity at 1 January 2019.

Therefore, the comparative information has not been restated and continues to be presented under AASB 118: *Revenue* and AASB 1004: *Contributions*. The details of accounting policies under AASB 118 and AASB 1004 are disclosed separately since they are different from those under AASB 15 and AASB 1058, and the impact of those changes is disclosed in Note 1.

In the current year

Contributed assets

On initial recognition of an asset, the Entity recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer).

The Entity recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amounts.

Operating grants, donations and bequests

When the Entity receives operating grant revenue, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance to AASB 15.

When both these conditions are satisfied, the Entity:

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

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Entity:

- recognises the asset received in accordance with the recognition requirements of other applicable Accounting Standards (for example AASB 9, AASB 16, AASB 116 and AASB 138);
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the Entity recognises income in profit or loss when or as it satisfies its obligations under the contract.

Capital grants

When the Entity receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer) recognised under other Australian Accounting Standards.

The Entity recognises income in profit or loss when or as the Entity satisfies its obligations under terms of the grant.

Interest income

Interest income is recognised using the effective interest method.

Dividend income

The Entity recognises dividends in profit or loss only when the Entity’s right to receive payment of the dividend is established.

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

In the comparative period

Non-reciprocal grant revenue was recognised in profit or loss when the Entity obtained control of the grant and it was probable that the economic benefits gained from the grant would flow to the Entity and the amount of the grant could be measured reliably.

If conditions were attached to the grant which must be satisfied before the Entity was eligible to receive the contribution, the recognition of the grant as revenue was deferred until those conditions were satisfied.

When grant revenue was received whereby the Entity incurred an obligation to deliver economic value directly back to the contributor, this was considered a reciprocal transaction and the grant revenue was recognised in the statement of financial position as a liability until the service had been delivered to the contributor; otherwise, the grant was recognised as income on receipt.

Donations and bequests were recognised as revenue when received.

Interest revenue was recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue was recognised when the right to receive a dividend had been established. Rental income from operating leases was recognised on a straight-line basis over the term of the relevant leases.

Revenue from the rendering of a service was recognised upon the delivery of the service to the member.

b. **Fair Value of Assets and Liabilities**

The Entity 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 Entity 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).

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 Entity 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.

d. **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 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 rate used for each class of depreciable assets is:

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 profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

e. **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 (i.e. a lease with a 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.

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 the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease

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

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Entity anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

f. **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 Entity commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component or if the practical expedient was applied as specified in AASB 15.63.

Classification and subsequent measurement

Financial liabilities

Financial liabilities are subsequently measured at:

- amortised cost; or
- fair value through profit and loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3 applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if it is:

- incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit taking;
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in an effective hedging relationship); or
- any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses are taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

Financial assets

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit and loss

on the basis of the two primary criteria, being:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset is subsequently measured at amortised cost when it meets the following conditions:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset is subsequently measured at fair value through other comprehensive income when it meets the following conditions:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the conditions of amortised cost and the fair value through other comprehensive income's measurement condition are subsequently measured at fair value through profit or loss.

The Entity initially designates financial instruments as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance with the documented risk management or investment strategy and information about the groupings was documented appropriately, so the performance of the financial liability that was part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of the financial instruments to measure at fair value through profit and loss is a one- time option on initial classification and is irrevocable until the financial asset is derecognised.

Equity instruments

At initial recognition, as long as the equity instrument is not held for trading or is not a contingent consideration recognised by an acquirer in a business combination to which AASB 3 applies, the Entity made an irrevocable election to measure the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit or loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the Entity's accounting policy.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (i.e. when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Entity no longer controls the asset (i.e. it has no practical ability to make unilateral decisions to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which was elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Impairment

The Entity recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (e.g. amount due from customers under construction contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The Entity uses the following approaches to impairment, as applicable under AASB 9:

- the general approach;
- the simplified approach;
- the purchased or originated credit impaired approach; and
- low credit risk operational simplification.

General approach

Under the general approach, at each reporting period, the Entity assesses whether the financial instruments are credit-impaired, and if:

- the credit risk of the financial instrument has increased significantly since initial recognition, the Entity measures the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; and
- there has been no significant increase in credit risk since initial recognition, the Entity measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

Simplified approach

The simplified approach does not require tracking of changes in credit risk in every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

This approach is applicable to:

- trade receivables; and
- lease receivables.

In measuring the expected credit loss a provision matrix for trade receivables has been used, taking into consideration various data to get to an expected credit loss (i.e. diversity of its customer base, appropriate groupings of its historical loss experience, etc.).

Purchased or originated credit impaired approach

For a financial asset that is considered to be credit-impaired (not on acquisition or originations), the Entity measures any change in its lifetime expected credit loss as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment has been recognised in profit or loss as an impairment gain or loss.

Evidence of credit impairment includes:

- significant financial difficulty of the issuer or borrower;
- a breach of contract (e.g. default or past due event);
- Where a lender has granted to the borrower a concession, due to the borrower's financial difficulty, that the lender would not otherwise consider;
- It is probable that the borrower will enter bankruptcy or other financial reorganisation; and
- the disappearance of an active market for the financial asset because of financial difficulties.

Low credit risk operational simplification approach

If a financial asset is determined to have low credit risk at the initial reporting date, the Entity assumes that the credit risk has not increased significantly since initial recognition and accordingly the Entity can continue to recognise a loss allowance of 12-month expected credit loss.

In order to make such determination that the financial asset has low credit risk, the Entity applies its internal credit risk ratings or other methodologies using a globally comparable definition of low credit risk.

A financial asset is considered to have low credit risk if:

- there is a low risk of default by the borrower;
- the borrower has strong capacity to meet its contractual cash flow obligations in the near term; and
- adverse changes in economic and business conditions in the longer term, may, but not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

A financial asset is not considered to carry low credit risk merely due to existence of collateral, or because a borrower has a lower risk of default than the risk inherent in the financial assets, or relative to the credit risk of the jurisdiction in which it operates.

Recognition of expected credit losses in financial statements

At each reporting date, the Entity recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. An amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (e.g. loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

g. **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 assets are not held primarily for their ability to generate net cash inflows – that is, they are specialised assets held for continuing use of their service capacity – the recoverable amounts are expected to be materially the same as fair value.

Where it is not possible to estimate the recoverable amount of an individual asset, the Entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued individual 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.

h. **Employee Provisions**

Short-term employee provisions

Provision is made for the Entity'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, rostered days off and annual leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

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 high quality corporate bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee provisions expense.

The Entity's obligations for long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the Entity 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 employee provisions.

i. **Cash and Cash Equivalents**

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.

j. **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. 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(f) for further discussion on the determination of impairment losses.

k. **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.

l. **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*.

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 Entity 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 period, in addition to the minimum comparative financial statements, must be disclosed.

o. **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 Entity.

	2021	2020
	$	$
NOTE 2: REVENUE AND OTHER INCOME		
Operating revenue:		
- Rendering services	241,024	405,062
- Grants received	3,514,379	2,550,412
- Donation and memberships	5,122,269	4,073,107
	8,877,672	**7,028,581**
Non-operating revenue:		
- Interest received	22,462	36,540
- Government subsidies	561,536	630,464
- Other revenue	25,880	13,149
	609,878	**680,153**
Total revenue and other income	**9,487,550**	**7,708,734**

NOTE 3: EXPENSES

	2021 $	2020 $
- Employee benefits expense	7,291,717	4,596,993
- Amortisation	238,886	257,778
- Depreciation	38,753	21,100
- Interest	11,473	27,140
- Rent	97,764	0
- Auditor's remuneration	28,445	28,643
- Bad and doubtful debts	0	23,580
- Accountancy and bookkeeping	21,730	33,122
- Other expenses	1,187,990	854,977
	8,916,758	**5,843,333**

NOTE 4: CASH AND CASH EQUIVALENTS

	2021 $	2020 $
Cash on hand	70	231
National Australia Bank	1,270,397	587,534
Credit Union Australia	1,553,145	1,523,619
Credit Union Australia - term deposits	1,028,570	1,019,901
Credit Union Australia - Environmental Defenders' Fund	4,925,301	5,191,267
	8,777,483	**8,322,552**

	2021	2020
	$	$
NOTE 5: ACCOUNTS RECEIVABLE AND OTHER DEBTORS		
Accounts receivable	250,913	473,091
Less Provision for impairment	-5,000	-5,000
	245,913	468,091
Client reimbursable expenses	1,703	1,487
Less Provision for impairment	0	0
	1,703	1,487
Balance 30 June 2021	**247,616**	**469,578**

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 below) are considered to be of high credit quality.

			Past due but not impaired (days overdue)				
	Gross Amount	Past Due and Impaired	< 30	31-60	61-90	> 90	Within Initial Trade Terms
	$	$	$	$	$	$	$
2021 Trade and term receivables	250,913	0	250,913	0	0	0	250,913
Total	**250,913**	**0**	**250,913**	**0**	**0**	**0**	**250,913**
2020 Trade and term receivables	473,091	0	242,645	220,000	678	9,768	473,091
Total	**473,091**	**0**	**242,645**	**220,000**	**678**	**9,768**	**473,091**

NOTE 6: OTHER CURRENT ASSETS

	2021	2020
	$	$
Prepayments and sundry debtors	326,729	100,249
Government subsidies receivable	0	238,464
Deposits on office leases	133,475	111,784
	460,204	**450,497**

NOTE 7: PROPERTY, PLANT AND EQUIPMENT

	Plant and Equipment	Total
	$	$
2020		
Balance at the beginning of the year	90,091	90,091
Additions at cost	200,654	200,654
Accumulated depreciation	-140,649	-140,649
Depreciation expense	-21,100	-21,100
Carrying amount at the end of the year	**128,996**	**128,996**
2021		
Balance at the beginning of the year	290,745	290,745
Additions at cost	86,143	86,143
Accumulated depreciation	-161,749	-161,749
Depreciation expense	-38,753	-38,753
Carrying amount at the end of the year	**176,386**	**176,386**

NOTE 8: RIGHT OF USE ASSETS

The Entity's lease portfolio includes leased premises. These leases have an average of 4 years as their lease term.

1. Options to extend or terminate

e option to extend or terminate are contained in several of the property leases of the Entity. These clauses provide the Entity opportunities to manage leases in order to align with its strategies. All of the extension or termination options are only exercisable by the Entity. The extension options or termination options which were probable to be exercised have been included in the calculation of the Right of use asset.

i) AASB 16 related amounts recognised in the balance sheet

	2021	2020
	$	$
Leased Buildings		
- Sydney office	943,925	943,925
- Brisbane office	279,130	279,130
- Hobart office	24,360	24,360
- Canberra office	21,730	21,730
	1,269,145	1,269,145
Accumulated amortisation	-1,220,204	-981,318
	48,941	**287,827**
Recognised on initial application of AASB 16 (previously classified as operating leases under AASB 117)	1,269,145	1,269,145
Amortisation expense	-1,220,204	-981,318
Net carrying amount	48,941	287,827

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

	2021	2020
Amortisation charge related to right-of-use assets	238,886	257,778
Interest expense on lease liabilities	11,473	27,140
Short-term leases expense	6,882	7,416

	2021	2020
	$	$
NOTE 9: ACCOUNTS PAYABLE AND OTHER PAYABLES		
Accounts payable and accrued expenses	423,785	244,719
Income in advance	1,980,405	2,737,187
GST payable	-64,106	52,516
PAYG payable	238,000	176,780
Superannuation payable	84,348	65,159
	2,662,432	**3,276,361**

NOTE 10: LEASE LIABILITIES

i) AASB 16 related amounts recognised in the balance sheet

	2021	2020
	$	$
Leased Premises		
- Sydney office	0	190,768
- Brisbane office	37,281	110,850
- Hobart office	2,999	11,568
- Canberra office	14,601	20,259
	54,881	**333,445**
Analysis of Lease Liabilities		
Current:	46,288	278,563
Non-Current:	8,593	54,882
	54,881	**333,445**

NOTE 11: EMPLOYEE PROVISIONS	**$**
Opening balance at 1 July 2020	733,851
Additional provisions raised during the year	372,881
Balance at 30 June 2021	**1,106,732**

	2021	**2020**
	$	**$**
Analysis of Employee Provisions		
Current:		
Annual leave entitlements	677,287	457,729
Long service leave entitlements	137,208	90,784
RDO entitlements	75,790	0
Total current employee provisions	890,285	548,513
Non-current:		
Long service leave entitlements	216,447	185,338
Total current employee provisions	216,447	185,338
	1,106,732	**733,851**

Employee Provisions

Employee provisions represent amounts accrued for annual leave, rostered days off and long service leave.

The current portion for this provision includes the total amount accrued for annual leave and rostered days off entitlements, and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Entity does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Entity does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

	2021	2020
NOTE 12: CAPITAL AND LEASING COMMITMENTS	**$**	**$**
(a) Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements		
Payable – minimum lease payments:		
not later than 12 months	29,498	14,586
between 12 months and five years	0	0
later than five years	0	0
	29,498	14,586

The property lease commitments are non-cancellable operating leases contracted for but not recognised in the financial statements with 12 months term. Increases in lease commitments may occur in line with the consumer price index (CPI).

(b) Capital Expenditure Commitments

There are no commitments for capital expenditure

NOTE 13: EVENTS AFTER THE REPORTING PERIOD

The directors are not aware of any significant events since the end of the reporting period.

NOTE 14: FINANCIAL RISK MANAGEMENT

The Entity's financial instruments consist mainly of deposits with banks, local money market instruments, short- term and long-term investments, accounts receivable and payable, and lease liabilities. The totals for each category of financial instruments, measured in accordance with AASB 9: Financial Instruments as detailed in the accounting policies to these financial statements, are as follows:

	Note	2021 $	2020 $
Financial assets			
Financial assets at amortised cost:			
Cash and cash equivalents	4	8,777,483	8,322,552
Accounts receivable and other debtors	5	247,616	469,578
Total Financial Assets		**9,025,099**	**8,792,130**
Financial liabilities			
Financial liabilities at amortised cost:			
Accounts payable and other payables	9	2,662,432	3,276,361
Total Financial Liabilities		**2,662,432**	**3,276,361**

The finance committee is responsible for monitoring and managing the Entity's compliance with its risk management strategy and consists of senior board members. The finance committee's overall risk management strategy is to assist the Entity in meeting its financial targets while minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the finance committee on a regular basis. These include credit risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management

The main risks the Entity is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk and other price risk.

There have been no substantive changes in the types of risks the Entity is exposed to, how these risks arise, or the Board's objectives, policies and processes for managing or measuring the risks from the previous period.

a. **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 for the Entity.

The Entity does not have any material credit risk exposures as its major source of revenue is the receipt of interest from financial institutions and dividends from companies listed on the ASX.

Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

Accounts receivable and other debtors that are neither past due nor impaired are considered to be of high credit quality. Aggregates of such amounts are detailed at Note 5.

The Entity has no significant concentrations of credit risk exposure to any single counterparty or entity of counterparties. Details with respect to credit risk of accounts receivable and other debtors are provided in Note 5.

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

	Note	2021 $	2020 $
Cash and cash equivalents			
- AA rated	4	8,777,483	8,322,552

b. **Liquidity Risk**

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

- preparing forward-looking cash flow analyses in relation to its operating, investing and financing activities;
- 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 table below reflects an undiscounted contractual maturity analysis for non-derivative financial liabilities. The Entity does not hold any derivative financial liabilities directly. 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 reflects the earliest contractual settlement dates.

Financial liability and maturity analysis

	Within 1 year		1 to 5 years		Over 5 years		Total	
	2021	**2020**	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Financial liabilities due for payment								
Accounts payable and other payables (excluding estimated annual leave and deferred income)	2,662,432	3,276,361	0	0	0	0	2,662,432	3,276,361
Lease liabilities	46,288	278,563	0	0	0	0	46,288	278,563
Total expected outflows	2,708,720	3,554,924	0	0	0	0	2,708,720	3,554,924
Financial assets – cash flows realisable								
Cash and cash equivalents	8,777,483	8,322,552	0	0	0	0	8,777,483	8,322,552
Accounts receivable and other debtors	247,616	469,578	0	0	0	0	247,616	469,578
Total anticipated inflows	9,025,099	8,792,130	0	0	0	0	9,025,099	8,792,130
Net (outflow)/inflow expected on financial instruments	**6,316,379**	**5,237,206**	**0**	**0**	**0**	**0**	**6,316,379**	**5,237,206**

c. **Foreign Exchange Risk**

The Entity is not exposed to fluctuations in foreign currency.

d. Market Risk

(i) *Interest rate risk*

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

The financial instruments that expose the Entity to interest rate risk are limited to lease liabilities, listed shares, government and fixed interest securities, and cash on hand.

The Entity also manages interest rate risk by ensuring that, whenever possible, payables are paid within any pre-agreed credit terms.

(ii) *Other price risk*

Other price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) of securities held.

The Entity is exposed to other price risk on investments held for trading or for medium to longer terms. Such risk is managed through diversification of investments across industries and geographical locations

Sensitivity analysis

The following table illustrates sensitivities to the Entity's exposures to changes in interest rates and equity prices. The table indicates the impact on how profit and equity values reported at the end of the reporting period 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.

	Surplus $	Equity $
Year ended 30 June 2020		
+/– 1% in interest rates	6,835	6,835
Year ended 30th June 2021		
+/– 1% in interest rates	11,004	11,004

No sensitivity analysis has been performed on foreign exchange risk as the Entity has no material exposures to currency risk.

There have been no changes in any of the assumptions used to prepare the above sensitivity analysis from the prior year.

Fair Values

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying amounts as presented in the statement of financial position.

Differences between fair values and carrying amounts 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 Entity. Most of these instruments, which are carried at amortised cost (i.e. accounts receivables, loan liabilities), are to be held until maturity and therefore the fair value figures calculated bear little relevance to the Entity

	2021		2020	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	$	$	$	$
Financial assets				
Cash and cash equivalents	8,777,483	8,777,483	8,322,552	8,322,552
Accounts receivable and other debtors	247,616	247,616	469,578	469,578
Total Financial Assets at amortised cost	**9,025,099**	**9,025,099**	**8,792,130**	**8,792,130**

	2021		2020	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	$	$	$	$
Financial liabilities				
Accounts payable and other payables	2,662,432	2,662,432	3,276,361	3,276,361
Total Financial Liabilities at amortised cost	**2,662,432**	**2,662,432**	**3,276,361**	**3,276,361**

Cash on hand, accounts receivable and other debtors, and accounts payable and other payables are short-term instruments in nature whose carrying amount is equivalent to fair value. Accounts payable and other payables exclude amounts provided for annual leave, which is outside the scope of AASB 9.

NOTE 15: CAPITAL MANAGEMENT

Management controls the capital of the Entity to ensure that adequate cash flows are generated to fund its mentoring programs and that returns from investments are maximised within tolerable risk parameters. The finance committee ensures that the overall risk management strategy is in line with this objective.

The finance, audit and risk committee operates under policies approved by the Board of Directors. Risk management policies are approved and reviewed by the Board on a regular basis. These include credit risk policies and future cash flow requirements.

The Entity's capital consists of financial liabilities, supported by financial assets.

Management effectively manages the Entity's capital by assessing the Entity's financial risks and responding to changes in these risks and in the market. These responses may include the consideration of debt levels.

NOTE 16: MEMBERS' GUARANTEE

The Entity 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 $10.00 each towards meeting any outstanding obligations of the Entity. As at 30 June 2021, the number of members was 51.

NOTE 17: REGISTERED OFFICE AND PLACE OF BUSINESS

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

Environmental Defenders Office Ltd

Suite 8.02, 6 O'Connell Street, Sydney NSW 2000

INTERNATIONAL AID AND DEVELOPMENT INCOME STATEMENT

	Note	2021	2020
REVENUE			
Donations and gifts			
Monetary	1	26,123	35,026
Non-monetary	2	255,284	481,491
Grants			
DFAT	3	22,671	2,032
Overseas		327,303	344,778
Other income	4	21,570	0
TOTAL REVENUE			
		652,951	863,327
EXPENSES			
International Programs			
Monetary expenses		377,137	364,403
Non-monetary expenses		255,284	481,491
Community Education		0	0
Fundraising Costs	5	0	0
Accountability and Administration		20,530	17,433
TOTAL EXPENSES		652,951	863,327
SURPLUS OF REVENUE OVER EXPENSES		0	0

Notes

1. Funds gifted as domestic, community-based grants – only expended amount listed.
2. This includes Barristers' fees valued at $204,981, Experts' fees valued at $13,750, and Volunteers' services valued at $16,107.
3. Grant from DFAT – Solomon Islands Justice Project.
4. EDO invested a portion of fees income into the program in FY21, subsidising 0.4FTE of additional legal administration and additional hours for program solicitors.
5. EDO incurred fundraising expenses of $305,882 during the 2020-21 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.

INTERNATIONAL AID AND DEVELOPMENT
TABLE OF CASH MOVEMENTS FOR DESIGNATED PURPOSES

	Cash available at beginning of financial year	Cash raised during financial year	Cash disbursed during financial year	Cash available at end of financial year
Rainforest Foundation of Norway	13,635	232,000	226,101	19,534
Nia Tero	0	261,281	85,502	175,779
Fiji Environmental Law Association	4,787	0	4,787	-0
Greenpeace Australia-Pacific	7,510	0	1,123	6,387
Anonymous Grant	0	90,000	10,913	79,087
DFAT - Solomon Is. Justice Program	45,976	0	22,671	23,305
Morris Family Foundation	25,000	25,000	25,000	25,000
Total for other non-designated purposes	8,225,644	8,334,742	8,111,996	8,448,391
TOTAL	**8,322,552**	**8,943,023**	**8,488,093**	**8,777,483**

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.

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Environmental Defenders Office Ltd, the directors of the registered Entity declare that, in the directors' opinion:

1. The financial statements and notes thereon, as set out on pages 6 to 33, satisfy the requirements of the
   Australian Charities and Not-for-profits Commission Act 2012 and:

   a. comply with Australian Accounting Standards applicable to the registered Entity; and

   b. give a true and fair view of the financial position of the registered Entity as at 30 June 2021 and of its performance for the year ended on that date.

There are reasonable grounds to believe that the registered Entity will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013.*

B Darlington

Director

Director

Dated this 18th day of November 2021

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 2021, 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 asummary 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 2021 and of itsfinancial 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 2021 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 anyform 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 orto 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 orerror, 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 ofaccounting 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 relatedto events or conditions that may cast significant doubt on the registered entity's ability to continue asa going concern. If I conclude that a material uncertainty exists, I am required to draw attention in myauditor'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 19th day of November 2021

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

DETAILED STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2021

DETAILED STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
INCOME	**$**	**$**
Public Purpose Fund Grant (NSW)	0	863,050
Northern Territory of Australia Government Grant	100,000	25,000
Legal Practitioners Fidelity Fund (Northern Territory) Grant	17,142	0
Other State and Territory Government Grants	1,010,870	590,441
EPLA Research Grant	5,000	5,000
Fundraising, Memberships & Philanthropic Grants	5,122,269	4,073,107
Programs Income	2,381,367	1,066,921
Professional Fees	241,025	405,062
Interest Received	22,462	36,540
Government Subsidies	561,536	630,464
Miscellaneous Income	25,880	13,149
TOTAL INCOME	**9,487,550**	**7,708,734**
EXPENDITURE		
Amortisation - Right of Use Assets	238,886	257,778
Auditor's Remuneration	28,445	28,643
Accountancy & Bookkeeping	21,730	33,122
Bad Debts - Merger Related	0	23,580
Bank & Government Charges	5,118	5,039
Board Expenses	46,876	23,648
Consultants Fees	40,372	10,965
Depreciation	38,753	21,100
Disbursements - non recoverable	16,190	5,283
Employee Entitlement Provisions	297,092	256,161
Employee Expenses	39,607	18,012
Fundraising & Marketing Expenses	305,882	251,937
Information Technology	100,853	72,121
Insurance Premiums	28,570	16,589
Interest - Lease Liabilities	11,473	27,140
Lease Payments	6,882	7,417
Light & Power	19,405	13,709
Motor Vehicle Expenses	4,059	1,230
Office Services & Equipment	20,016	13,857
Organisational Development	50,360	184,973
Postage & Couriers	6,693	4,398
Printing & Stationery	10,062	10,756
Program & Workshop Expenses	514,919	175,198
Rent - Office	97,764	0
Repairs & Maintenance	1,416	1,245
Salaries & Wages	6,235,565	3,884,550
Staff Training & Development	58,335	19,917
Staff Amenities	3,943	6,146
Staff Recruitment	29,669	34,000
Subscriptions & Library	30,838	34,263
Superannuation Contributions	570,831	360,827
Telecommunications	24,807	18,484
Travelling Expenses	11,348	21,245
TOTAL EXPENDITURE	**8,916,758**	**5,843,333**
OPERATING SURPLUS FOR THE YEAR	**570,792**	**1,865,401**

SUPPLEMENTAL REPORT FOR COMPLIANCE WITH QUEENSLAND GOVERNMENT GRANT (LASF014-2020-25) FOR THE YEAR ENDED 30 JUNE 2021

	2021
	$
PROGRAM INCOME	
Service delivery funding (DJAG) - State	208,928
Other funding (DES) - State	170,000
TOTAL INCOME	**378,928**
PROGRAM EXPENSES	
Salaries	283,385
Superannuation	25,168
On Costs	12,003
Rent	45,714
Other Premises Costs	2,650
Staff Training	935
Communications	3,580
Office Overheads	3,372
Library, Resources & Subscriptions	1,340
Travel	461
Programming & Planning	105
Leases	215
TOTAL EXPENSES	**378,928**
NET SURPLUS/(DEFICIT) FOR THE YEAR	**0**

SUPPLEMENTAL REPORT FOR COMPLIANCE WITH AUSTRALIAN CAPITAL TERRITORY GOVERNMENT GRANT FOR THE YEAR ENDED 30 JUNE 2021

	2021 $
PROGRAM INCOME	
Grant Amount	150,000
TOTAL INCOME	**150,000**
PROGRAM EXPENSES	
Staffing (Wages plus Superannuation)	114,498
Long Service Leave Levy - ACT	600
Staff Training & Development	3,641
Volunteer Expenses	94
Telephone & Internet	2,672
IT Software & Licences	2,302
IT Support & Services	3,106
Utilities	6,152
Office Rent & Outgoings	10,735
Office Services	2,481
Postage & Courier	474
Stationery Printing & Supplies	1,024
Insurances	1,313
Staff Travel, Conferences & Accommodation	852
Charitable Fundraising Expenses	113
TOTAL EXPENSES	**150,058**
NET (DEFICIT) FOR THE YEAR	**-58**

Declaration

The financial accounts in relation to the grant funding received from the Australian Capital Territory Government are complete and accurate.