PLANET ARK ENVIRONMENTAL FOUNDATION

A.B.N. 26 057 221 959

FINANCIAL REPORT

For the year ended 30th June 2013

PLANET ARK ENVIRONMENTAL FOUNDATION
A.B.N. 26 057 221 959
(A Company without Share Capital and Limited)

DIRECTORS REPORT

Your Directors present this report, together with the financial statements of the Group, comprising the consolidated accounts of Planet Ark Environmental Foundation ("the Company") and the Group's interest in its controlled entities, for the financial year ended 30th June 2013.

DIRECTORS
The names of each person who has been a Director during the year and to the date of this report are:

Michael Coleman
Lyndell Fraser
Andrew Johnson
Paul Klymenko
Howard Parry-Husbands
Gillian Turner
Phillip Vernon

All Directors have been in office since the start of the financial year to the date of this report, unless otherwise stated.

COMPANY SECRETARY
John O'Connor held the position of Company Secretary at the end of the financial year; he has been the company secretary for the Company since February 2013.

PRINCIPAL ACTIVITY
The principal activity of the Group during the financial year was Environmental Campaigning.

SHORT AND LONG TERM OBJECTIVES
Planet Ark's short and long term objectives are to meet the objects of our constitution which are:

(a) To protect and enhance the natural environment,
(b) To motivate and assist individuals and businesses to make simple and positive changes to their attitudes and actions in ways which will contribute to protecting and enhancing the natural environment,
(c) To educate individuals and businesses to be aware of their impact on the natural world,
(d) To protect the planet's ability to sustain life,
(e) To work alongside and with businesses in order to bring about positive environmental change.

STRATEGIES
The Group's strategy for achieving these objectives includes:

a) Working collaboratively with businesses, industry associations and all levels of government to promote positive environmental behaviour change amongst the Australian community,
b) Raising awareness of environmental issues through our information services, environmental campaigns, social media and newsletters,
c) Encouraging positive environmental behaviour change through participation in our solutions based campaigns and information services. These focus on promoting sustainable resource use, low carbon lifestyles and connecting people with nature.
d) Providing identification of better environmental buying choices through our licensing program,
e) Striving to attract and retain quality employees who want to help create a sustainable future.

The activities below have assisted the Group in achieving its objectives. Some examples include:

a) We orchestrated the planting of more than 1.3 million native trees and seedlings at over 3,300 sites across Australia during our National Tree Day campaign, which engaged schools, councils, community groups and individuals.
b) We educated Australian businesses and the wider community on what and where to recycle via our RecyclingNearYou and Business Recycling information services, receiving nearly 3 million visitors to the websites and responding to more than 6,000 queries from households and businesses.

c) We inspired individuals and companies to recycle 3.3 million cartridges, reaching a collective total of over 22 million printer cartridges.
d) We helped to create awareness of the carbon-storing properties of responsibly sourced wood from 38% to 62% over the past two years and participated in strengthening forestry standards by increasing opportunities for stakeholder engagement and improving biodiversity outcomes.

Full details of our campaign results are contained in our separate Annual Review.

KEY PERFORMANCE MEASURES

High awareness as well as trust and credibility (as reflected in organisational reputation) are essential in achieving behaviour change results. We use LOHAS research as our benchmark for awareness and trust. We aim to achieve a minimum awareness of 75% and to be listed in the top 10 organisations that are judged to be acting in a sustainable and ethical manner (organisational reputation).

In their most recent research, Living LOHAS 4, Planet Ark achieved 82% awareness - an increase of 2 percentage points from the previous survey. We were ranked number 4 for organisational reputation, the same position as in the previous survey.

Where possible we measure the results of our campaigns via various methods including the number of participants in a particular environmental activity, for example, trees planted or items recycled.

We aim to achieve increases each year in these measures where sufficient resources are available.

OPERATING RESULTS

The consolidated net profit of the Group for the financial year after providing for income tax amounted to $82,148 (2012 profit of $73,739).

This improved result has come about even though there was a 12% decrease in revenue, mainly due to loss of sponsorships, although this was offset by a significant increase in consulting income in 2013. Through prudent management, expenses decreased by 12%.

The parent entity received dividends amounting to $45,000 from its subsidiaries.

INFORMATION ON DIRECTORS

Michael Coleman
Non-Executive Director & Chairman
Michael Coleman is a consultant and Company Director. He is a Non-executive Director and Chairman of the Audit Committee with Macquarie Group Limited and is a member of the Audit Committee of the Reserve Bank of Australia. He is Deputy Chairman of the Federal Government's Financial Reporting Council (FRC), Chair of the Reporting Committee of the Australian Institute of Company Directors (AICD), a Director/Treasurer of Osteoporosis Australia, a Director of Belvoir Street Theatre's Foundation and Chair of the Advisory Board of the Centre for Accounting and Assurance Services Research at the University of New South Wales. He was Chairman of ING Management Limited 2011 to 2012 and a member of the Federal Government's Not-for-Profit Reform Council 2010 -2013.

Michael retired as a partner of KPMG in July 2011 after a forty three year career that included major executive and client management roles. He holds Bachelor and Master's Degrees in Commerce from the University of New South Wales, is a Fellow of the Institute of Chartered Accountants in Australia and a Fellow of the Australian Institute of Company Directors.

DIRECTORS REPORT

INFORMATION ON DIRECTORS (cont'd)

Lyndell Fraser
Non-Executive Director & Deputy Chairman
BEc (Hons) MEc (Hons) MBA

Lyndell joined the Navitas Group in April 2009, an Australian based global education company; and has overall responsibility for the operations of Navitas' Workforce Division.

Lyndell has held senior appointments in the financial services industry with key line and portfolio responsibilities in banking and general insurance with major Australian institutions, as well as in areas of strategy, distribution and corporate and government relations.

She has served on the board of the Insurance Council of Australia and on various taskforces of the Australian Bankers' Association.

Lyndell has a Bachelor of Economics (Hons) and a Master of Economics (Hons) from the University of Sydney and a Master of Business Administration from Macquarie University.

Dr Andrew Johnson
Non-Executive Director

Andrew Johnson is a member of the CSIRO Executive Team and CSIRO's Group Executive – Environment, with responsibilities for leading the organisation's water, land, climate, marine, biodiversity, urban sustainability, regional development and natural resource management research.

A Fellow of the Australian Institute of Company Directors, Andrew is a member of the Prime Ministers Northern Australia Land and Water Taskforce, Chair of the Northern Australia Ministerial Forum Expert Advisory Council, a Member of the Australian Government's High Level Coordinating Group on Climate Change Science and the Australian Government's Independent Expert Scientific Committee on Coal Seam Gas and Large Coal Mining Development.

Andrew is also Australia's representative on the Belmont Forum of Global Environmental Change Funders and the Governing Council of the International Institute of Applied Systems Analysis in Vienna.

Andrew was awarded a PhD from the University of Queensland and a Masters Degree from the John F Kennedy School of Government at Harvard University where he was a Rotary Foundation Scholar. His professional interests are in natural resource planning and policy, public participation in private and public sector decision-making and novel approaches to support rural and regional development.

Phillip Vernon
Non-Executive Director

Phillip is Managing Director of Australian Ethical Investment and has 25 years experience in financial services covering funds management, capital markets and superannuation. In previous roles he has been a senior executive of Perpetual Limited and served on the board and as Chairman of the Australian Securitisation Forum. He is currently also a Director and Treasurer of the Responsible Investment Association of Australia and a member of the Advisory Board of the Association for Sustainable & Responsible Investment in Asia.

Paul Klymenko – Chief Executive Officer

Paul was appointed CEO in June 2010. He has worked in the environmental field for the past 23 years as an environmental researcher, retailer, writer and ethical investment fund manager. Apart from a period of five months from March to August 2010, Paul has been a Director of Planet Ark since its inception in 1992. Prior to working in the environmental field he spent 11 years in the financial services industry in research and advising roles.

DIRECTORS REPORT

INFORMATION ON DIRECTORS (cont'd)

In 1986 Paul co-founded Australian Ethical Investment Ltd, which is Australia's first socially responsible fund manager with now over $700 million under management. In 1990 he also co-founded Australia's first environmental retailer, The Cleanhouse Effect.

Paul is married with 3 children and in addition to his family, his passions are music, science, sport and film.

Gillian Turner
Non-Executive Director

Gillian Turner is an accomplished business leader, executive coach & mentor, and writer. She holds law degrees from Sydney and Harvard Universities, is a qualified psychotherapist, and a Fellow of the Australian Institute of Company Directors.

An experienced chief executive, company director and chairman, Gillian draws on an international career in finance & professional services, science & technology, consumer products, public health, education and overseas aid. Her focus is on strategy and investment, capacity building, new business launch, organisational restructure and change management. She has worked in multi-nationals and SMEs, in the private, publicly listed, and not-for-profit sectors, and is skilled at bridging different cultures – national, corporate and professional.

Howard Parry-Husbands
Non-Executive Director

After completing a geography BSc studying the science of climate change long before it was fashionable, Howard spent a few years learning that merchant banking and insurance did not suit him before landing at market research. His research career has been focused on brands and advertising in the UK, New Zealand and Australia where his frustration with average research and a meeting of minds with Sharyn Smith led them to set up Pollinate to establish research that focussed on people as the most powerful agents for change. Howard is also a director of Soup, one of the world's leading advocacy and WOM agencies. Howard loves public speaking, is passionately committed to the pursuit of sustainability in our lifetimes, a proud father and a terrible surfer.

MEETINGS OF DIRECTORS:

During the financial year 5 meetings of directors were held.

Attendance at Board meetings is summarised as follows:

Director	Meetings eligible to attend	Meetings attended
Michael Coleman	5	5
Lyndell Fraser	5	4
Andrew Johnson	5	4
Paul Klymenko	5	5
Gillian Turner	5	5
Phillip Vernon	5	4
Howard Parry-Husbands	5	4

.

DIRECTORS REPORT

The company is incorporated under the Corporations Act 2011 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of $100 each towards meeting any outstanding obligations of the entity. At 30th June 2013, the total amount that members of the company are liable to contribute if the company is wound up is $5,300 (2012:$5,100).

AUDITOR'S INDEPENDENCE DECLARATION:

The lead auditor's independence declaration for the year ended 30th June 2013 has been received and can be found on page 36 of the Financial Report.

Signed in accordance with a resolution of the Board of Directors:

Chairman	CEO
Michael Coleman	Paul Klymenko

Date 24th October , 2013

DIRECTORS DECLARATION

In accordance with a resolution of the Directors of Planet Ark Environmental Foundation, the Directors declare that: -

1. The consolidated financial statements and notes as set out on pages 7 to 38, are in accordance with the Corporations Act 2001:

   (a) Comply with Australian Accounting Standards: and

   (b) Give a true and fair view of the financial position as at 30 June 2013 and of the performance for the year ended on that date of the company and consolidated group.

2. In the Directors' opinion, there are reasonable grounds to believe that the Company and the consolidated group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors:

Michael Coleman

Chairman
Michael Coleman

Paul Klymenko

CEO
Paul Klymenko

Date 24th October, 2013

PLANET ARK ENVIRONMENTAL FOUNDATION

A.B.N. 26 057 221 959

(A Company without Share Capital and Limited)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH JUNE 2013

	Note	2013 $	2012 $
Sponsorships	3	1,615,410	2,011,651
Endorsements and Licensing Income	3	464,671	602,825
Sundry Income	3	292,935	80,860
Donations		4,969	8,227
TOTAL OPERATING INCOME		2,377,985	2,703,563
Recovery – Bad Debt		0	1,435
Profit on Sale of Assets		46,611	31,197
Interest and Other Income		7,339	3,327
TOTAL INCOME		2,431,935	2,739,522
Computer & IT Expenses		(97,066)	(132,774)
Administration Expenses		(185,592)	(245,194)
Provision for Doubtful Debts		(275)	(4,125)
Depreciation & Amortisation		(15,954)	(34,376)
Rent and Occupancy		(99,639)	(78,613)
Accounting, Audit, Legal & Consulting		7,516	(212,663)
Advertising & Promotional Expenses		(88,700)	(67,483)
Employment Expenses		(1,658,501)	(1,622,446)
Other Operational Expenses		(211,391)	(240,979)
Interest & Borrowing Expenses		(185)	(27,130)
TOTAL EXPENSES		(2,349,787)	(2,665,782)
Profit / (Loss) from Ordinary Activities before Income tax Expense	4	82,148	73,739
Income Tax Expense relating to Ordinary Activities	5	0	0
Net profit / (loss) from Ordinary Activities After Income tax		82,148	73,739
Total Comprehensive Income for the Year		82,148	73,739
Total Comprehensive Income attributable to Members of the Entity		82,148	73,739

The accompanying notes form part of these financial statements

PLANET ARK ENVIRONMENTAL FOUNDATION

A.B.N. 26 057 221 959

(A Company without Share Capital and Limited)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2013

	Note	2013 $	2012 $
CURRENT ASSETS			
Cash on Hand	7	317,760	334,586
Trade and Other Receivables	8	424,146	487,699
Other Current Assets	9	83,785	160,958
TOTAL CURRENT ASSETS		825,691	983,243
NON-CURRENT ASSETS			
Property, Plant and Equipment	10	36,272	25,156
Intangible Assets	11	23,786	25,263
TOTAL NON-CURRENT ASSETS		60,058	50,419
TOTAL ASSETS		885,749	1,033,662
CURRENT LIABILITIES			
Trade and Other Payables	12	254,722	506,136
Short Term Provisions	13	122,257	106,330
TOTAL CURRENT LIABILITIES		376,979	612,466
NON-CURRENT LIABILITIES			
Non-Current Provisions	13	34,558	29,132
TOTAL NON-CURRENT LIABILITIES		34,558	29,132
TOTAL LIABILITIES		411,537	641,598
NET ASSETS		474,212	392,064
EQUITY			
Retained Profits		474,212	392,064
TOTAL EQUITY		474,212	392,064

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30TH JUNE 2013

Movements in carrying amounts	Retained Earnings	Asset Revaluation Reserve	Total
	$	$	$
Balance at 1 July 2011	149,303	169,021	318,324
Comprehensive Income attributable to the Group	73,740	0	73,740
Revaluation increment/(decrement)	169,021	(169,021)	0
Balance at 30 June 2012	392,064	0	392,064
Comprehensive Income attributable to the Group	82,148	0	82,148
Balance at 30 June 2013	474,212	0	474,212

PLANET ARK ENVIRONMENTAL FOUNDATION
A.B.N. 26 057 221 959
(A Company without Share Capital and Limited)

CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 30TH JUNE 2013

	Note	2013 $	2012 $
Cash Flow from Operating Activities			
Receipts from customers		2,441,538	2,813,348
Payments to suppliers and employees		(2,458,365)	(2,714,631)
Net cash generated from (used by) operating activities	22b	(16,827)	98,717
Cashflow from investing activities			
Purchase of Property Plant & Equipment		(21,948)	(5,353)
Proceeds (Loss) on sale of Property Plant & Equipment		0	833,281
Proceeds from (Payment for) sale of intangible assets		44,446	29,324
Dividend Receipts		0	0
Net Cash generated by (used in) investing activities		22,498	857,253
Cash flow from financing activities			
Increase/(Decrease) in Credit Card Liabilities		(112)	(6,837)
Increase/(Decrease) in Hire Purchase Agreement Liability		0	(95,354)
Interest Received		7,339	5,422
Interest paid		(185)	(27,129)
Increase/(Repayment) of Bank Loan		0	(604,950)
Increase/(Decrease) of other liabilities		100	0
Increase/(Decrease) in GST Liability		(29,639)	23,220
Net cash generated from (used in) financing activities		(22,497)	(705,628)
Net increase (decrease) in cash held		(16,826)	250,342
Cash at beginning of year		334,586	84,244
Cash at end of year	22a	317,760	334,586

The consolidated financial statements and notes represent those of Planet Ark Environmental Foundation and its Controlled Entity, (the Group) incorporated and domiciled in Australia. Planet Ark Foundation is a company limited by guarantee.

The Separate financial statements of Planet Ark Environmental Foundation have not been presented within this financial report as permitted by amendments made to the Corporations Act 2001 effective as at 28 June 2010.

The Financial Statements were authorised for issue on 24th October, 2013 by the Directors of the Company.

Note 1: Summary of Significant Accounting Policies

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (AASBs) (including Australian Accounting Interpretations) and the Corporations Act 2001. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements, except for the cashflow 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 statements have been rounded to the nearest dollar.

Accounting Policies

(a) Revenue

Non-reciprocal sponsorship revenue is recognised in the statement of comprehensive income when the entity obtains control of the sponsorship and it is probable that the economic benefits gained from the sponsorship will flow to the entity and the amount of the sponsorship can be measured reliably.

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

Where revenue is received whereby the Group incurs an obligation to deliver economic value directly back to the sponsor, this is considered a reciprocal transaction and the revenue is recognised in the statement of financial position as a liability until the service has been delivered to the sponsor, otherwise the sponsorship is recognised as income on receipt.

Donations and bequests are recognised as revenue when received.

Note 1: Summary of Significant Accounting Policies (cont'd)

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

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

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

(b) Property, Plant and Equipment:

Each class of property, plant and equipment is carried at cost or fair values as indicated, less, where applicable, any 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. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1 (d) for details of impairment).

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

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, but excluding freehold land is depreciated on a straight-line basis over the asset's useful life to the Group 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 rates used for each class of depreciable asset are:

Class of Fixed Asset	Depreciation Rate
Motor Vehicles	22.5%
Freehold Improvements	6.5-20%
Furniture & Fittings	10-40%

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 included in the statement of comprehensive income. Where revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Note 1: Summary of Significant Accounting Policies (cont'd)

(c) Leases

Leases of property, plant and equipment, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the group, are classified as finance leases.

Finance leases are capitalised, recognising an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the Group will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

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

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(d) Impairment of Assets

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

Where the future economic benefits of the asset are not primarily dependent on the asset's ability to generate net cash inflows and when the Group 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 class, the Group 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 the same class of asset.

Note 1: Summary of Significant Accounting Policies (cont'd)

(e) Employee Provisions

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yield on national government bonds with terms to maturity that match the expected timing of cashflows attributable to employee provisions.

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

(f) Cash on hand

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

(g) 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 rate method, less any provision for impairment. Refer to Note 1(d) for further discussion on the determination of impairment losses.

(h) 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 Tax 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.

(i) Income Tax

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

The Company's subsidiaries' income tax expense for the year comprises current income tax expense. The subsidiary companies do not apply deferred tax.

Note 1: Summary of Significant Accounting Policies (cont'd)

Current income tax expense charged to the profit or loss account is the tax payable on taxable income using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities are therefore measured at the amounts expected to be paid to the relevant taxation authority.

(j) Intangibles

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

Patents and trademarks are recognised at the cost of acquisition. Patents and trademarks have a finite life and are carried at cost less any accumulated amortisation and any impairment losses. Patents and trademarks are amortised over their useful life of 10 years.

(k) Provisions

Provisions are recognised when the Group 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.

(l) Comparative Figures

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

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

(m) Accounts Payable and Other Payables

Accounts payable and other payable represent the liability outstanding at the end of the reporting period for goods and services received by the Group 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.

(n) 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 group.

(o) Economic Dependence

Planet Ark Environmental Foundation and its controlled entities are not dependent on any one major customer or Government Department for the majority of the revenue to operate the business.

(p) Principles of Consolidation:

The consolidated accounts of the economic Group include the accounts of the company, being the head Company, and its controlled entities.

Where a Company either began or ceased to be controlled during the period, the results are included only from the date control commenced or up to the date control ceased.

Note 1: Summary of Significant Accounting Policies (cont'd)

All controlled entities are wholly owned and therefore there are no outside interests in the equity and results of the controlled entities, and as such there is no disclosure of outside equity interests.

(q) New Accounting Standards for Application in Future Periods

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

- AASB 9: Financial Instruments (December 2010) and AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) (applicable for reporting periods commencing on or after 1 January 2013)
- These standards are applicable retrospectively and include revised requirements for the classification and measurement of financial instruments as well as recognition and de-recognition requirements for financial instruments.

The key changes made to accounting requirements include:

- simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;
- simplifying the requirements for embedded derivative;
- removing the tainting rules associated with held-to-maturity assets;
- removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;
- allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument;
- requiring financial assets to be reclassified where there is a change in an Entity's business model as they are initially classified based on: (a) the objective of the Entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows; and
- requiring an Entity that chooses to measure a financial liability at fair value to present the portion of the change in its fair value due to changes in the Entity's own credit risk in the other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarged, the Entity is required to present all changes in fair value (including the effects of changes in the credit risk of the liability) in profit or loss.

  The company has not yet been able to reasonably estimate the impact of these pronouncements on its financial statements.

  - AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1. 2, 3, 5, 7, 8, 101, ,102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141,1050 & 1052 and Interpretations 2, 4, 5, 15, 17, 127, 129 & 1052] (applicable for annual reporting periods commencing on or after 1 July 2013).

- AASB 1053 establishes a revised differential financial reporting framework consisting of two tiers of financial reporting requirements for those entities preparing general purpose financial statements:

  - Tier 1: Australian Accounting Standards ; and
  - Tier 2: Australian Accounting Standards – Reduced Disclosure Requirements.

Note 1: Summary of Significant Accounting Policies (cont'd)

Tier 2 of the framework comprises the recognition, measurement and presentation requirements of Tier 1, but contains significantly fewer disclosure requirements.

Since the Group is a not-for-profit private entity, it qualifies for the reduced disclosure requirements for Tier 2 entities. It is anticipated that the Group will take advantage of Tier 2 reporting at a later date.

The amendments are not expected to significantly impact the Group.

- AASB 10: Consolidated Financial Statements, AASB 11: Joint Arrangements, AASB 12: Disclosure of Interests in other Entities, AASB 127: Separate Financial Statements [August 2011], AASB 128: Investments in Associates and Joint Ventures [August 2011] and AASB 2011-7: Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards (applicable for annual reporting periods commencing on or after 1 January 2013).

  AASB 10 replaces parts of AASB 127 [March 2008, as amended] and Interpretation 112: Consolidation – Special Purpose Entities. AASB 10 provides a revised definition of control and additional application guidance so that a single control model will apply to all investees. The group has not yet been able to reasonably estimate the impact of this Standard on its financial statements.

  AASB 11 replaces AASB 131: Interests in Joint Ventures (July 2004 as amended). AASB 11 requires joint arrangements to be classified as either "joint operations" (where the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities) or "joint ventures"(where the parties that have joint control of the arrangement have rights to the net assets of the arrangement). Joint ventures are required to adopt the equity method of accounting (proportionate consolidation is no longer allowed).

- AASB 12 contains the disclosure requirements applicable to entities that hold an interest in a subsidiary, joint venture, joint operation or associate. AASB 12 also introduces the concept of a "structured entity" replacing the "special purpose entity" concept currently used in Interpretation 112, and requires specific disclosures in respect of any investments in unconsolidated structured entities. This Standard will affect disclosures only and is not expected to significantly impact the group.

  To facilitate the application of AASBs 10, 11 and 12, revised versions of AASB 127 and AASB 128 have also been issued. These Standards are not expected to significantly impact the group.

- AASB 13: Fair Value Measurement and AASB 2011-8: Amendments to Australian Accounting Standards arising from AASB 13 (applicable for annual reporting periods commencing on or after 1 January 2013).

  AASB 13 defines fair value, sets out in a single Standard a framework for measuring fair value, and requires disclosures about fair value measurement.

  AASB 13 requires:
    - inputs to all fair value measurements to be categorised in accordance with a fair value hierarchy; and
    - enhanced disclosures regarding all assets and liabilities (including, but not limited to, financial assets and financial liabilities) measured at fair value.

  These Standards are not expected to significantly impact the Group.

Note 1: Statement of Significant Accounting Policies (cont'd)

- AASB 119: Employee Benefits [September 2011] and AASB 2011-10: Amendments to Australian Accounting Standards arising from AASB 119 (applicable for annual reporting periods commencing on or after 1 January 2013).

  These Standards introduce a number of changes to accounting and presentation of defined benefit plans. The Group does not have any defined benefit plans and so is not impacted by the amendment.

  AASB 119 [September 2011] also includes change to:

  (a) require only those 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 to be classified as short-term employee benefits. All other employee benefits are to be classified as either other long-term employee benefits, post-employment benefits or termination benefits, as appropriate; and
  (b) the accounting for termination benefits that require an entity to recognise an obligation for such benefits at the earlier of:

    (i) where for an offer that may be withdrawn – when the employee accepts;
    (ii) where for an offer that cannot be withdrawn – when the offer is communicated to affected employees; and
    (iii) where the termination is associated with a restructuring of activities under AASB 137 and if earlier than the first two conditions – when the related restructuring costs are recognised.

  These Standards are not expected to significantly impact the Group's financial statements.

- AASB 2012-2: Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities (applicable for annual reporting periods commencing on or after 1 January 2013).

  AASB 2012-2 principally amends AASB 7: Financial Instruments: Disclosures to require entities to include information that will enable users of their financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position.

  This Standard is not expected to significantly impact the Group's financial statements.

- AASB 2012-3: Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities (applicable for annual reporting periods commencing on or after 1 January 2014).

  This Standard adds application guidance to AASB 132: Financial Instruments: Presentation to address potential inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.

  This Standard is not expected to significantly impact the Group's financial statements.

- AASB 2012-5: Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle (applicable for annual reporting periods commencing on or after 1 January 2013).

Note 1: Statement of Significant Accounting Policies (cont'd)

This Standard amends a number of Australian Accounting Standards as a consequence of the issuance of Annual Improvements to IFRSs 2009-2011 Cycle by the International Accounting Standards Board, including:

- AASB 1:First-time Adoption of Australian Accounting Standards to clarify the requirements in respect of the application of AASB 1 when an entity discontinues and then resumes applying Australian Accounting Standards;
- AASB 101: Presentation of Financial Statements and AASB 134: Interim Financial Reporting to clarify the requirements for presenting comparative information;
- AASB 116: Property, Plant and Equipment to clarify the accounting treatment of spare parts, stand-by equipment and servicing equipment;
- AASB 132: and Interpretation 2: Members' Shares in Co-operative Entities and Similar Instruments to clarify the accounting treatment of any tax effect distribution to holders of equity instruments;
  and
- AASB 134 to facilitate consistency between the measures of total assets and liabilities an entity reports for its segments in its interim and annual financial statements.

This Standard is not expected to significantly impact the Group's financial statements.

Note 2: Parent Information:

The following information has been extracted from the books of the parent and has been prepared in accordance with Accounting Standards.

	2013 $	2012 $
STATEMENT OF FINANCIAL POSITION		
ASSETS		
CURRENT ASSETS	824,169	922,034
TOTAL ASSETS	883,507	971,383
LIABILITIES		
CURRENT LIABILITIES	376,979	513,126
TOTAL LIABILITIES	411,537	580,777
EQUITY		
Reserves	0	0
Retained Profits (Losses)	471,970	390,606
TOTAL EQUITY	471,970	390,606
STATEMENT OF COMPREHENSIVE INCOME		
Total Profit/(Loss)	81,365	78,343
Total Comprehensive Profit/(Loss)	81,365	78,343

Guarantees

Planet Ark Environmental Foundation has not entered into any guarantees, in the current or previous financial year, in relation to the debts of its subsidiary.

Contingent Liabilities

There are no contingent liabilities.

Contractual commitments

There are no contractual commitments.

Note 3: Revenue and Other Income

	2013 $	2012 $
Revenue from Corporate and Other Sponsorships		
Corporate Sponsorships	1,517,683	1,881,651
Government Sponsorships	97,727	130,000
Total Sponsorships	1,615,410	2,011,651
Revenue from Sales and Licensing		
Other Sales	0	87
Royalty and Licensing Income	464,671	602,738
Total Sales and Licensing Income	464,671	602,825
Other Income		
Sundry Income	237,935	80,860
Australian Government GVESHO Program	20,000	0
NSW Environmental Trust LECG grant	35,000	0
Donations	4,969	8,227
Recovery - Bad debt	0	1,435
Profit on Sale of Asset	46,611	31,197
Interest Received	7,339	3,327
Total Other Income	351,854	125,046
Total Revenue and Other Income	2,431,935	2,739,522

Note 4: Profit for the Year

	2013 $	2012 $
(a) Expenses		
Depreciation of property plant & equipment	10,833	29,486
Amortisation of intangibles	4,771	4,890
Interest paid to other persons	185	27,130
Bad debts provision	275	3,552
Provision for staff entitlements	139,428	130,366
Remuneration of auditor		
- Audit or review	9,600	12,740
- Taxation and other services	2,000	5,000
(b) Significant revenue and expenses		
Profit Share arising on sale of Aware trademark	(46,611)	(36,712)
Insurance	40,665	31,407
Legal expenses	(66,880)	137,112
Computer leasing costs	32,253	30,236
Consulting fees	45,304	57,310

Note 5: Income Tax Expense

Prima Facie Income Tax payable attributable to operating profit before tax	24,644	22,122
Add/(deduct):		
Non-assessability of net charitable income and expenses	(10,805)	(11,503)
Tax effect of small business concession	(6,991)	(5,507)
Tax losses carried forward	(6,848)	(5112)
Income Tax Expense	0	0

Note 6: Dividends

	2013 $	2012 $
a. Distributions paid	0	0
b. Balance of franking account at year end adjusted for income tax paid or provided for	0	0

Note 7: Cash on Hand

	2013 $	2012 $
CURRENT		
Cash at bank	317,260	333,829
Cash on hand	500	757
Total	317,760	334,586

Note 8: Trade and Other Receivables

		2013 $	2012 $
CURRENT			
Trade debtors		428,546	488,285
Provision for impairment	(i)	(4,400)	(4,125)
		424,146	484,160
Other Receivables		0	3,539
Total current trade and other receivables		424,146	487,699

i. Provision for impairment of receivables

Current trade receivables are generally on 30 day terms. These receivables are assessed for recoverability and a provision for impairment is recognised when there is objective evidence that an individual trade receivable is impaired. These amounts have been included as expense items.

Movement in the provision for impairment of receivables is as follows:

Provision for Impairment as at 30 June 2011	13,488
- Charge for year	4,125
- Written off	(13,488)
Provision for impairment as at 30 June 2012	4,125
- Charge for year	275
- Written back	0
Provision for impairment as at 30 June 2013	4,400

Note 8: Trade and Other Receivables (cont'd)

ii Credit risk – Trade and Other Receivables

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 thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed upon between the Company and customer or counter party 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.

			Past due but not impaired				
2013	Gross amount	Past due and impaired	<30	31-60	61-90	>90	Within trade terms
	$	$	$	$	$	$	$
Trade and term receivables	424,146	4,400	0	11,000	0	0	413,146
Other receivables	0	0	0	0	0	0	0
Total	424,146	4,400	0	11,000	0	0	413,146
2012							
Trade and term receivables	488,285	4,125	0	119,720	27,012	0	337,428
Other receivables	3,539	0	0	0	0	0	3,539
Total	491,824	4,125	0	119,720	27,012	0	340,967

The company does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired.

Note 9: Other Assets

	2013 $	2012 $
Security Deposits	25,254	25,254
Prepaid Expenses	58,531	135,704
Total Other Assets – Current	83,785	160,958
Non-Current		
Prepaid Expenses	0	0

Note 10: Property, Plant and Equipment

	2013 $	2012 $
Furniture and Equipment		
At Cost	174,985	153,037
Less Accumulated Depreciation	(138,713)	(127,881)
Total Furniture and Equipment	36,272	25,156
Total Property Plant & Equipment	36,272	25,156

Movements in Carrying Amounts

Movement in carrying amounts for each class of property, plant and equipment between the beginning and the end of the financial year.

	Land and Buildings $	Financed Motor Vehicles $	Furniture and Equipment $	Total $
2012				
Balance at the beginning of the year	843,968	10,500	36,735	891,203
Additions at Cost	0	0	10,596	10,596
Additions at Fair Value	0	0	0	0
Disposals	(843,968)	(10,500)	(4,033)	(858,501)
Revaluation Increment	0	0	0	0
Depreciation Expense	0	0	(18,142)	(18,142)
Carrying amount at end of year	0	0	25,156	25,156

	Land and Buildings $	Financed Motor Vehicles $	Furniture and Equipment $	Total $
2013				
Balance at the beginning of the year	0	0	25,156	25,156
Additions at Cost	0	0	21,949	21,949
Additions at Fair Value	0	0	0	0
Disposals	0	0	0	0
Revaluation Increment	0	0	0	0
Depreciation Expense	0	0	(10,833)	(10,833)
Carrying amount at end of year	0	0	36,272	36,272

Note 11: Intangible Assets

	2013 $	2012 $
Formation expenses - at cost	720	720
Patent expenses – at cost	0	350
Trademarks - at cost	56,456	54,293
Accumulated amortisation	(33,390)	(30,100)
Net Carrying value	23,786	25,263

Movements in carrying amounts	Formation Expenses	Patent Expenses	Trademark
2012			
Balance at beginning of year	720	350	21,693
Additions	0	0	7,388
Disposals	0	0	0
Amortisation charge	0	0	(4,890)
Impairment losses	0	0	0
	720	350	24,193
2013			
Balance at beginning of year	720	350	24,193
Additions	0	0	2,163
Disposals	0	0	0
Amortisation charge	0	(350)	(3,290)
Impairment losses	0	0	0
	720	0	23,066

Note 12: Trade and Other Payables

	Note	2013 $	2012 $
CURRENT			
GST Payable		29,164	59,011
Trade Payables		71,999	171,757
Accrued Expenses		105,223	214,346
Revenue Received in Advance		48,336	61,022
		254,722	506,136

Note 13: Employee Provisions

	Employee Provisions $
Opening balance as at 1 July 2012	135,462
Additional provisions raised during year	123,634
Amounts used	(102,281)
Balance at 30 June 2013	156,815

Analysis of Total Provisions	2013 $	2012 $
Current		
Annual leave entitlements	83,728	67,811
Long service leave entitlements	38,529	38,519
Total current employee provisions	122,257	106,330
Non-current – Long service entitlements	34,558	29,132
Total	156,815	135,462

Employee Provisions

A provision has been recognised for employee entitlements relating to annual leave and 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 these financial statements.

Note 14: Reserves

The asset revaluation reserve records the revaluations of non-current assets. The balance of this reserve was transferred to retained earnings upon sale of Planet Ark Park at Wentworth Falls.

Note 15: Contingent Liabilities

The Directors are not aware of any contingent or other liabilities not provided for in the accounts.

Note 16: Related Party Transactions

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

Note 17: Events After the Balance Date

No event has occurred since 30 June 2013 which would materially affect the results of the Company as reported in the financial statements.

Note 18: Capital and Other Commitments

	2013 $	2012 $
Employee Expense Payment		
Payable – minimum payments		
- within 12 months	11,556	11,556
- Later than 12 months but not later than 5 years	17,816	38,520
	29,372	50,076

Employee Motor vehicle commitments are payable pursuant to an employment contract and are contingent on the employee remaining in the Company

	2013 $	2012 $
Office Rental Commitments		
Payable – minimum payments		
- within 12 months	120,768	115,452
- Later than 12 months but not later than 5 years	60,384	288,630
- Greater than 5 years	0	0
	181,152	404,082

A property rental agreement exists for office space occupied at 15-17 Young Street Sydney. This lease expires in December 2014.

	2013 $	2012 $
Computer Leases		
Payable – minimum payments		
- within 12 months	13,776	41,880
- Later than 12 months but not later than 5 years	5,814	49,220
- Greater than 5 years	0	0
	19,590	91,100

Computer leases are non-cancellable rental agreements for periods of 3 years contracted but not capitalised in the financial statements.

Note 19: Key Management Personnel Compensation

In 2013 key management personnel (members of the Executive team) included 5 roles compared to 5 roles in 2012.

	Short-Term Benefits $	Post-Employment Benefits $	Other Long-term Benefits $	Total $
2013				
Total Compensation	458,998	0	0	458,998
2012				
Total Compensation	483,324	0	0	483,324

Note 20: Company Details

The Company's registered office is located at Level 3, 15-17 Young Street Sydney, which is also the principal place of business.

Note 21: Members Guarantee

The Company is incorporated under the Corporations Act 2001 and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of $100 each towards meeting any outstanding obligations of the Company. At June 30th 2013, the number of members was 53.

Note 22: Cash Flow Information

a. Reconciliation of Cash

	Note	2013 $	2012 $
Cash at bank		317,260	333,829
Cash at hand		500	757
	7	317,760	334,586

Note 22: Cash Flow Information (cont'd)

b. Reconciliation of Cashflow from Operations with Profit after Income Tax

	2013 $	2012 $
Profit/(loss) after income tax	82,148	73,739
Non cash flows		
Amortisation	4,771	4,890
Depreciation	10,833	29,486
Provision for staff entitlements	123,634	(4,591)
Provision for income tax (reduction)	0	0
Provision for doubtful debts (reduction)	275	0
Non-operating income included in operating profit		
Dividend Income	0	0
Profit on sale of Aware trademark	(46,611)	(36,712)
Changes in assets and liabilities		
Decrease/(Increase) in receivables	63,278	112,962
Increase/(Decrease) in payables	(184,845)	(38,408)
(Increase)/Decrease in provisions and prepayments	(41,125)	(82,147)
Increase/(Decrease) in employment and other taxes	(29,185)	39,498
Cash Flows from Operations	(16,827)	98,717

Note 23: Financial Risk Management

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

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

		2013 $	2012 $
Financial Assets			
Cash and cash equivalents	7	317,760	334,586
Loans and receivables	8	424,146	487,699
		741,906	822,285
Financial Liabilities			
Financial liabilities at amortised cost			
Trade and other payables	12	254,722	506,136

Financial Risk Management Policies

The Board's overall risk management oversight is directed toward the Company meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are considered by the Board on a regular basis. These considerations include credit risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management

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

a. Credit risk

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

Credit Risk Exposures

The maximum exposure to credit risk by class of 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.

Trade and other receivables that are neither past due or impaired are considered to be high quality. Aggregates of such amounts are detailed in Note 8.

Note 23: Financial Risk Management (cont'd)

The Group has no significant concentrations of credit risk exposure to any single counterparty or group of counterparties. Details with respect to credit risk of Trade and Other Receivables are provided in Note 8.

Credit risk associated with banks and other financial institutions is overseen by the Board. 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.

		2013 $	2012 $
Cash and cash equivalents			
- AA rated		317,760	334,586
	7	317,760	334,586

b. Liquidity risk

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

- preparing forward looking cashflow analysis in relation to its operational, 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 Group's policy is to ensure no more than 30% of borrowings mature in any 12 month period.

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

Cashflows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore be different from that disclosed. The timing of cashflows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

Note 23: 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	
	2013	2012	2013	2012	2013	2012	2013	2012
Financial liabilities due for payment								
Lease liabilities	146,100	168,888	84,014	376,370	0	0	230,114	545,258
Mortgage liabilities	0	0	0	0	0	0	0	0
Trade and other payables (excluding annual leave)	254,723	445,316	0	0	0	0	254,723	445,316
Total expected outflows	400,823	614,204	84,014	376,370	0	0	484,837	990,574
Financial assets – cashflows realisable								
Cash and cash equivalents	317,760	334,586	0	0	0	0	317,760	334,586
Trade and other receivables	424,146	487,699	0	0	0	0	424,146	487,699
Total anticipated inflows	741,906	822,285	0	0	0	0	741,906	822,285
Net (outflow)/inflow on financial instruments	341,083	208,081	(84,014)	376,370	0	0	257,069	(168,289)

c. Market risk

Interest rate risk

There is no interest rate risk.

Net 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 values as presented in the statement of financial position. Fair values are those amounts for 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 judgement, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgement 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

Note 23: Financial Risk Management (cont'd)

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 Group. Most of these instruments which are carried at amortised cost (i.e. trade receivables, loan liabilities) are held until maturity and therefore the net fair value figures calculated have little relevance to the Group.

	Footnote	2013 Net carrying value $	2013 Net fair value $	2012 Net carrying value $	2012 Net fair value $
Financial Assets					
Cash and Cash equivalents	i	317,760	317,760	334,586	334,586
Trade and other receivables	i	424,146	424,146	487,699	487,699
Available - for- sale financial assets					
- At fair value					
- Listed investments	ii	0	0	0	0
Total financial assets		741,906	741,906	822,285	822,285
Financial liabilities					
Trade and other payables	i	254,722	254,732	506,136	506,136
Lease liability		0	0	0	0
Mortgage liability		0	0	0	0
Total financial liabilities		254,732	254,732	506,136	506,136

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 exclude amounts provided for annual leave, which is outside the scope of AASB 139.
(ii) For listed available-for-sale and held-for-trading financial assets, closing quoted bid prices at the end of the reporting period are used.

Note 24: Capital Management

Management controls the capital of the Group to ensure that adequate cash flows are generated to fund its programs and that returns from investments are maximised within tolerable risk parameters. The Board oversees the overall risk management strategy.

Note 24: Capital Management (cont'd)

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

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

There have been no changes to the strategy adopted by management to control the capital of the Group since the previous year.

The gearing ratios for the years ended 30 June 2013 and 30 June 2012 are as follows:

	Note	2013	2012
		$	$
Total borrowings	14	0	0
Less cash and cash equivalents	7	(317,760)	(334,586)
Net debt		(317,760)	(334,586)
Total equity (reserves + retained earnings)		474,212	392,064
Total capital		474,212	392,064
Gearing ratio		0%	0%

J.A. EVENNETT & CO.
Chartered Accountants

John A. Evennett, F.C.A
David J. Evennett, B. Bus. C.A.

Suite 603
37 Bligh Street
Sydney
G.P.O. Box 4542
Sydney 2001
Tel: (02) 9232 7599
Fax: (02) 9232 8499
Email: jaevennett@bigpond.com

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF PLANET ARK ENVIRONMENTAL FOUNDATION ABN 26 057 221 959

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2013, there have been:

(i) no contraventions of the auditor's independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

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

J.A. Evennett & Co.
Chartered Accountants
David J. Evennett - Partner

Date 24th October, 2013

37 Bligh Street, Sydney. NSW. 2000

J.A. EVENNETT & CO.
Chartered Accountants

John A. Evennett, F.C.A
David J. Evennett, B. Bus. C.A.

Suite 603
37 Bligh Street
Sydney
G.P.O. Box 4542
Sydney 2001
Tel: (02) 9232 7599
Fax: (02) 9232 8499
Email: jaevennett@bigpond.com

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PLANET ARK ENVIRONMENTAL FOUNDATION ABN 26 057 221 959

Report on the Financial Report

We have audited the accompanying financial report of Planet Ark Environmental Foundation (the Company) and Planet Ark Environmental Foundation and Controlled Entities (the consolidated entity), which comprises the statement of financial position as at 30 June 2013, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the Directors' declaration.

Directors' Responsibility for the Financial Report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with the Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance as to whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the Auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the Auditor considers internal control relevant to the Group's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the Directors of Planet Ark Environmental Foundation would be in the same terms if given to the Directors as at the time of this Auditor's report.

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF PLANET ARK ENVIRONMENTAL FOUNDATION ABN 26 057 221 959

Opinion

In our opinion, the financial report of Planet Ark Environmental Foundation and Planet Ark Environmental Foundation and Controlled Entities is in accordance with the Corporations Act 2001 including:

I. Giving a true and fair view of the company's financial position as at 30 June 2013 and of its performance for the year ended on that date; and
II. Complying with the Australian Accounting Standards and the Corporations Regulations 2001.

J.A. Evennett & Co.
Chartered Accountants
David J. Evennett (Partner)
37 Bligh Street, Sydney. NSW. 2000

Date 24th October, 2013