Halfcut Limited

Annual Report

For The Year Ended 30 June 2021

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Directors Report

The directors present their report on HalfCut Ltd for the financial year ended 30 June 2021. HalfCut Ltd is a not-for-profit public company limited by guarantee under the Corporations Act 2001 and a registered charity with the Australian Charities and Not-for-Profits Commission (ACNC).

Board Members

The names of each person who has been on the Board as a Director or a member of the board during the year and to the date of this report are:

James Stanton-Cooke - Director / Co-founder

James has contributed to rainforest conservation in Australia for almost two decades. He has founded, developed and co-managed several not-for-profit organisations and many programs contributing to rainforest conservation. He has expertise in fundraising and corporate engagement since 2014. James is a founding founder and director of HalfCut Directors members have been in office since the start of the financial year to the date of this report unless otherwise stated.

Jessica Clarke - Director / Co-founder

For 10 years Jessica has contributed to rainforest conservation in Australia. He has founded, developed and co-managed several not-for-profit organisations and many programs contributing to rainforest conservation. She has expertise in fundraising, digital marketing and is a founding founder and director of HalfCut.

Nicole Canale - Director

Nicole has 12 years experience in fundraising for rainforest conservation and charitable causes. Nicole is a founding director of HalfCut.

Review of Operations

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

Principal Activities

The principal activity of HalfCut Ltd during the financial year was to raise money to support the protection, enhancement of the natural environment. Specifically, to support the conservation of rainforests and the preservation of the biodiversity of rainforest ecosystems; the restoration, rehabilitation, enhancement and management of remnant and regrowth rainforest; the revegetation of ex-rainforest lands, including the establishment and ongoing management of rainforest plantings of significant ecological value. No significant changes in the nature of these activities occurred during the year.

Operating Result

The surplus from ordinary activities after providing for income tax amounted to $25,885 (2020: $0).

Events Subsequent to Balance Date

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

Directors Report (continued)

Auditor's Independence Declaration

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

Signed in accordance with a resolution of the Board of Directors made pursuant to Section 298(2) of the Corporations Act 2001.

James Stanton-Cooke
Director

28 February 2022

Jessica Clarke
Director

28 February 2022

ALLEN & WOLFE
AUDITORS

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AUDITORS INDEPENDENCE DECLARATION UNDER SECTION 60-40 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012

TO THE DIRECTORS OF

Halfcut Limited

I declare that to the best of my knowledge and belief, during the year ended 30 June 2021 there have been:

i. no contraventions of the auditor independence requirements as set out in section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, in relation to the audit; and

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

Allen & Wolfe Auditors

Richard Allen, CA
8 February 2022

Allen & Wolfe Auditors

29 Crombie Avenue
Bundall QLD 4217

Statement of Comprehensive Income
For The Year Ended 30 June 2021

	Note	2021 $
Revenue from Ordinary Activities		
Donations		342,256
Sales		20,976
Interest received		35
Other income		20
TOTAL REVENUE FROM ORDINARY ACTIVITIES		**363,287**
Expenses from Ordinary Activities		
Donation distributions		208,152
Marketing, communication and advocacy		14,068
Salaries & wages		53,968
Other expenses		61,214
TOTAL EXPENSES FROM ORDINARY ACTIVITIES		**337,402**
SURPLUS FOR THE YEAR		**25,885**

The accompanying notes form part of this financial report.

Balance Sheet
As At 30 June 2021

	Note	2021 $
Current Assets		
Cash and Cash Equivalents	**3**	25,885
TOTAL CURRENT ASSETS		**25,885**
TOTAL ASSETS		**25,885**
Current Liabilities		
TOTAL CURRENT LIABILITIES		**-**
Non-Current Liabilities		
TOTAL NON-CURRENT LIABILITIES		**-**
TOTAL LIABILITIES		**-**
NET ASSETS		**25,885**
EQUITY		
Retained Earnings		25,885
TOTAL EQUITY		**25,885**

The accompanying notes form part of this financial report.

Statement of Changes in Equity
For The Year Ended 30 June 2021

	Note	Retained Earnings $	TOTAL EQUITY $
Balance as at 30 June 2020		-	**-**
Surplus for the Year		25,885	**25,885**
Balance as at 30 June 2021		25,885	**25,885**

The accompanying notes form part of this financial report.

Cash Flow Statement
For The Year Ended 30 June 2021

	Note	2021 $
Cash Flow from Operating Activities		
Receipts from Members and Clients		363,287
Payments to Suppliers and Employees		(337,402)
Interest Received		-
NET CASH PROVIDED BY OPERATING ACTIVITIES	**4**	**25,885**
Cash Flows from Investing Activities		
Fixed Asset Purchases		-
NET CASH PROVIDED BY INVESTING ACTIVITIES		**-**
Cash Flows from Financing Activities		
Repayment of Loans Payable		-
NET CASH PROVIDED BY FINANCING ACTIVITIES		**-**
Net Increase in Cash Held		25,885
Cash at Beginning of Year		-
CASH AT END OF YEAR	**4**	**25,885**

The accompanying notes form part of this financial report.

Notes To The Financial Statements
For The Year Ended 30 June 2021

The financial statements are for Halfcut Limited as an individual entity.

Note 1 Statement 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 - Reduced Disclosure Requirements adopted by the Australian Accounting Standards Board (AASB) and the Australian Charities and Not-for-PROFITs Commission Act 2012. These financial statements comply with Australian Accounting Standards - Reduced Disclosure Requirements.

These financial statements have been prepared in accordance with the mandatory Australian Charities and Not-for-Profits Commission Act 2012 and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The company is a not-for-profitT entity for financial reporting purposes under the 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 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. These financial statements are presented in Australian dollars, which is the company's functional currency.

Accounting Policies

Revenue

Grant revenue is recognised in the Statement of Comprehensive Income on receipt. If conditions are attached to the grant which at the balance date have not been satisfied, the association recognises the unsatisfied obligation as an expense and as a liability.

Donations and bequests are recognised as revenue when received.

Interest and dividend income are recognised on receipt.

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).

Cash and cash equivalents

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

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. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Income Tax

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

Notes To The Financial Statements
For The Year Ended 30 June 2021

Note 1 Statement of significant accounting policies (continued)

Comparative Figures
When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current year.

Adoption of New and Revised Accounting Standards
During the current year the association adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

	Note	**2021** **$**

Note 2 Auditor's Remuneration

Remuneration of the Auditor for:		
- Auditing or Reviewing the Financial Report		1,700
		1,700

Note 3 Cash and Cash Equivalents

Commercial Access (5828)		25,885
Commercial Saver (5829)		0
Total Cash and Cash Equivalents		**25,885**

Note 4 Cash Flow Information

Reconciliation of Cash
Cash at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:

Cash and Cash Equivalents	**3**	25,885
Cash at the End of the Year		25,885

Reconciliation of Cash Flows from Operations with Profit after Income Tax

Profit after Income Tax		25,885
Non-Cash Flows in Profit		
Depreciation		
Changes in Assets and Liabilities		
(Increase)/Decrease in Trade and Other Receivables		-
(Decrease)/Increase in Trade and Other Payables		-
Cash Flows from Operations		**25,885**

Note 5 Association Details

The registered office of the company is:

Halfcut Limited
78c Charles St
Putney NSW 2112

Notes To The Financial Statements
For The Year Ended 30 June 2021

Note 6 Events After the Balance Sheet Date

No events have occurred since balance sheet date which will have a material financial effect.

The financial report was issued on 8 February 2022 by the members of the Committee.

Directors' Declaration

The directors of the company declare that:

1 The financial statements and notes as set out on pages 8 to 10 are in accordance with the Australian Charities and Not-for-Profits Commission Act 2012 and:

   a. comply with Accounting Standards; and

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

2 In the directors' opinion there are reasonable grounds to believe that the company 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.

James Stanton-Cooke
Director

28 February 2022

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Independent Auditor's Report
To the Directors of Halfcut Limited

Qualified Opinion

We have audited the financial report of Halfcut Limited, which comprises the Balance Sheet as at 30 June 2021 and the Statement of Comprehensive Income, Statement of changes in Equity and Cash Flow statement for the year ended on that date, a summary of Significant Accounting Policies, other Explanatory Notes and the Directors' Declaration.

In our opinion, the financial report of Halfcut Limited is in accordance with the Australian Charities and Not-for-profit Commission Regulations 2013, including:

In our opinion, except for the effects of the matters described on the Basis for Qualified Opinion paragraph, the financial report of n/a is in accordance with the Australian Charities and Not-for-PROFITs Commissions Regulations 2013, including:

a. giving a true and fair view of the company's financial position as at 30 June 2021 and of its performance for the year ended on that date: and

b. complying with Australian Accounting Standards and Australian Charities and Not-for-Profit Commission Regulations 2013.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibility for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australian. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Emphasis of Matter - Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 on the Financial Statement, which describes the basis of accounting. The financial report has been prepared to assist Halfcut Limited to meet the requirements of the Australian Charities and Not-for-Profits Commission Act 2012. As a result, the financial report may not be suitable for another purpose.

Responsibilities of the Members of the Board for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards 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 it free from material misstatement, whether due to fraud or error.

Responsibilities of the Members of the Board for the Financial Report (continued)

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

Auditor's Responsibility for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

[A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at http://www.auasb.gov.au/Home.aspx.]

Allen & Wolfe Auditors

Richard Allen CA
8 February 2022

Allen & Wolfe Auditors

29 Crombie Avenue
Bundall QLD 4217