HalfCut Limited

ABN 24 642 788 814

Financial Statements

For the Year Ended 30 June 2025

HalfCut Limited

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For the Year Ended 30 June 2025

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Directors' Report
30 June 2025

The directors present their report on HalfCut Limited for the financial year ended 30 June 2025.

Principal Activities

The Company's short term objectives are to:

The principal activity during the financial year was to raise money for the protection and enhancement of the natural environment. Specifically, undertaking projects to protect rainforest principally in Australia; and promoting, facilitating, participating in, carrying out, arranging or other wise engaging in, for the benefit of the community:

- the conservation of rainforests and the preservation of the bio-diversity of rainforest ecosystems;
- the restoration, rehabilitation, enhancement and management of remnant and regrowth rainforest; and
- the revegetation of ex-rainforest lands, including without limitation the establishment and ongoing management of rainforest planting of significant ecological value.

No significant changes in the nature of these activities occurred during the year.

Review of operations

The profit of the Company after providing for income tax amounted to $ (150,250).

The company continued its commitment to supporting projects in Australia ensuring that donations are used to support protects that deliver high value conservation outcomes and that have real impact on the environmental challenges of our time.

The following four short and long-term strategic goals will guide the HalfCut activities during the 2023 financial year.

1. Fundraising & Engagement

To better engage with existing and potential donors and grow the amount of one off donations and the number of people contributing through our recurring monthly giving program.

2. Land Buyback & Conservation

To increase the number , combined size and the conservation values of properties acquired for conservation.To establish and maintain relationships with Traditional Owners and indigenous organisations where possible, involving them in decision making and the management of those properties.

3. Science Based Advocacy & Data Driven Decision Making

To embrace data-drive decision making and science based advocacy to inform and affect policy and have an outsized impact.

4. Financial Sustainability, Administration & Governance

Diversify fundraising streams and build long-term financial sustainability in line with good governance and due diligent risk management.

Directors' Report
30 June 2025

Information on directors

James Stanton-Cooke	
Experience	James has contributed to rainforest conservation in Australia for over 20 years. He has founded, developed and co-managed not-for-profit organisations and fundraising programs contributing to rainforest conservation. He has expertise in fundraising and corporate engagement since 2014. James is a founding director of HalfCut.
Jessica Clarke	
Experience	Jessica has contributed to rainforest conservation in Australia for over 10 years. She has founded, developed and co-managed not-for-profit organisations and fundraising programs contributing to rainforest conservation. She has expertise in fundraising and digital marketing and is a founding director of HalfCut.
Katherine Stanton-Cook	
Experience	30 years experience in activism and fundraising for forest conservation and charitable causes. A Public High School teacher trained in History and Social sciences.
Chris Andrew	
Experience	Chris has almost 40 years of working experience, leveraging a professional background in global investment banking and energy sectors to apply expertise to the for-purpose sector. He is an experienced Board member and Chair in the NFP sector and is currently engaged by First Nations enterprises, focusing on systemic challenges like climate change and financial disadvantage. Chris is a passionate advocate for ethical and Indigenous-led finance models and helps shape HalfCut's mission at the intersection of conservation, community engagement, and First Nations leadership. Chris holds degrees in Chemical Engineering and Teaching.
Louisa Vorreiter	
Experience	Louisa has been working in the water and environment industry for over 30 years. She has experience conservation, water quality issues in rivers, urban streams and estuaries and wastewater management. She also has experience in asset management and driving better planning of assets to met the current and future climate impacts. Louisa has also worked on research projects relating to river water quality and impacts on ecosystems. Louisa holds a Honours degree in Science and a Master of Engineering.
Nathan Roberson-Ball	
Experience	Nathan is a recognised sustainability, ESG and innovation practitioner with experience spanning multiple sectors and a range of subject matter areas. I am a passionate advocate for better business performance that takes into account and pays respect to environmental regeneration, human rights and social inclusion. For two decades Nathan has worked with and inside of many of Australia's largest organisations to drive change. He hold degrees in climate science, environmental economics and environmental management.

Directors' Report
30 June 2025

Information on directors

Information on directors

Rory Sinclair	
Experience	Rory is a communications leader with experience building brands across the commercial, not-for-profit and philanthropic sectors. Her work focuses on strategic communications and storytelling to drive systemic change. For several years, she has worked with Australia's leading environmental and First Nations organisations.
Nicole Canale	
Experience	Nicole is a founding director of Halfcut since inception. Nicole Canale is the Director of Canale Financial Group and a Registered Public Accountant with more than 15 years of experience in business and financial management. Throughout her career, Nicole has built a strong reputation for providing clear, practical financial guidance to individuals and businesses, with a focus on strategic planning, compliance, and long-term sustainability. In her role as Director, she oversees key functions across taxation, advisory, and client operations, drawing on her deep technical expertise and commitment to integrity. Her leadership style emphasises transparency, accountability, and forward-thinking financial stewardship, qualities she brings to her work as Treasurer on the board. Nicole is dedicated to supporting strong governance practices and ensuring financial clarity and confidence across the organisations she serves.

Other items

Events after the reporting date

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

Environmental issues

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Environmental matters

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory.

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Directors' Report
30 June 2025

Other items

Other items

Auditors independence declaration

The lead auditors independence declaration for the year ended 30 June 2025 has been received and can be found on page of the financial report.

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

Director: .... Director: ....

Dated this 17th day of November 2025

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Auditor's Independence Declaration under Section 60-40 of the Charities and Not-for-profits Commission Act 2012 to the Responsible Persons of HalfCut Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2025, 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 contraventions of any applicable code of professional conduct in relation to the audit.

[Enter place of signing]

HalfCut Limited

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For the Year Ended 30 June 2025

Statement of Comprehensive Income

	2025	2024
	$	$
Income		
Donations	**258,978**	476,028
Sales	**1,191**	539
Commissions received	**1,279**	-
Consulting Income	**74,134**	-
Interest	**1,825**	2,203
Member Subscriptions	**314**	23
	337,721	478,793
Less: Direct expenses		
Donations Distributed	**334,207**	391,768
Advertising	**30,826**	7,707
Subscriptions	**9,547**	10,960
Rent	**2,175**	750
Other expenses	**32,196**	14,869
Office expenses	**20,219**	16,927
Legal expenses	**8,800**	50,679
Consultants	**50,000**	-
	487,970	493,660
Net surplus/ (loss)	**(150,249)**	(14,867)

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Statement of Financial Position

As At 30 June 2025

	Note	2025 $	2024 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	**35,069**	178,468
Trade and other receivables	6	**4,839**	138,294
TOTAL CURRENT ASSETS		**39,908**	316,762
NON-CURRENT ASSETS			
Other Non Current Assets		**-**	-
TOTAL NON-CURRENT ASSETS		**-**	-
TOTAL ASSETS		**39,908**	316,762
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	**(2,809)**	(5,184)
Other Payables		**-**	-
TOTAL CURRENT LIABILITIES		**(2,809)**	(5,184)
NON-CURRENT LIABILITIES			
Other payables		**-**	-
TOTAL NON-CURRENT LIABILITIES		**-**	-
TOTAL LIABILITIES		**(2,809)**	(5,184)
NET ASSETS		**42,717**	321,946
EQUITY			
Retained earnings		**42,717**	321,947
		42,717	321,947
TOTAL EQUITY		**42,717**	321,947

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 30 June 2025

2025

	Retained Earnings $	Total $
Balance at 1 July 2024	**321,947**	**321,947**
Deficit attributable to members	**(150,250)**	**(150,250)**
Retrospective adjustment upon change in accounting policy	**(128,980)**	**(128,980)**
Balance at 30 June 2025	**42,717**	**42,717**

2024

	Retained Earnings $	Total $
Balance at 1 July 2023	336,699	336,699
Surplus attributable to members	(14,890)	(14,890)
Retrospective adjustment upon change in accounting policy	138	138
Balance at 30 June 2024	321,947	321,947

HalfCut Limited

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Statement of Cash Flows

For the Year Ended 30 June 2025

	Note	2025 $	2024 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		**340,054**	475,579
Payments to suppliers and employees		**(483,453)**	(493,443)
Net cash provided by/(used in) operating activities		**(143,399)**	(17,864)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Net cash provided by/(used in) investing activities		**-**	-
CASH FLOWS FROM FINANCING ACTIVITIES:			
Net cash provided by/(used in) financing activities		**-**	-
Net increase/(decrease) in cash and cash equivalents held		**(143,399)**	(17,864)
Cash and cash equivalents at beginning of year		**178,468**	196,332
Cash and cash equivalents at end of financial year	5	**35,069**	178,468

The accompanying notes form part of these financial statements.

Notes to the Financial Statements
For the Year Ended 30 June 2025

The financial report covers HalfCut Limited as an individual entity. HalfCut Limited is a not-for-profit Company, registered and domiciled in Australia.

The functional and presentation currency of HalfCut Limited is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012.*

The financial statements have been prepared on an cash 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.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Income

Other income is recognised on an accruals basis when the Company is entitled to it. This includes sponsorship and interest

Donations are recorded once received in to the bank account.

(b) Income tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(c) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Notes to the Financial Statements

For the Year Ended 30 June 2025

2 Summary of Significant Accounting Policies

(c) Goods and services tax (GST)

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(d) Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

(e) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

3 Critical Accounting Estimates and Judgments

Those charged with governance make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

4 Other Revenue and Income

	2025	2024
	$	$
Income		
- other income	**314**	216
- Shopify	**76,603**	539
- donations	**258,978**	476,028
	335,895	476,783

Notes to the Financial Statements
For the Year Ended 30 June 2025

5 Cash and Cash Equivalents

	2025	2024
	$	$
Cash at bank and in hand	**26,930**	177,380
Other cash and cash equivalents	**8,139**	1,088
	35,069	178,468

6 Trade and Other Receivables

	2025	2024
	$	$
CURRENT		
Trade receivables	**-**	134,205
Prepayments	**4,844**	4,094
Other receivables	**(5)**	(5)
Total current trade and other receivables	**4,839**	138,294

7 Trade and Other Payables

	2025	2024
	$	$
CURRENT		
Trade payables	**-**	(116)
GST payable	**(2,809)**	(5,068)
	(2,809)	(5,184)

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

8 Financial Risk Management

	2025	2024
	$	$
Financial assets		
Held at amortised cost		
Cash and cash equivalents	**35,069**	178,468
Trade and other receivables	**4,839**	138,294
Fair value through Other Comprehensive Income (OCI)		
Total financial assets	**39,908**	316,762
Financial liabilities		
Financial liabilities measured at amortised cost	**(2,809)**	(5,184)
Financial liabilities at fair value		

Notes to the Financial Statements

For the Year Ended 30 June 2025

8 Financial Risk Management

	2025	2024
	$	$
Total financial liabilities	**(2,809)**	(5,184)

9 Members' Guarantee

The Company is registered with the *Australian Charities and Not-for-profits Commission Act 2012* 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 $ 5 each towards meeting any outstanding obligations of the Company. At 30 June 2025 the number of members was 5.

10 Auditors' Remuneration

Brown Auditing Services has only provided audit and assurance services.

11 Contingencies

In the opinion of those charged with governance, the Company did not have any contingencies at 30 June 2025 (30 June 2024:None).

12 Events After the End of the Reporting Period

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 financial years.

13 Statutory Information

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

HalfCut Limited
78c Charles St
Putney NSW 2112

Responsible Persons' Declaration

The responsible persons declare that in the responsible persons' opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and

- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

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

Responsible person .... Responsible person ....

Dated

HalfCut Limited

Independent Audit Report to the members of HalfCut Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of HalfCut Limited, which comprises the statement of financial position as at 30 June 2025, the Other Comprehensive income , the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the responsible persons' declaration.

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

(i) giving a true and fair view of the Company's financial position as at 30 June 2025 and of its financial performance for the year ended; and

(ii) complying with Australian Accounting Standards - Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 201*3.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of Responsible Entities for the Financial Report

The responsible persons of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Simplified Disclosures 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, the responsible persons 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 responsible entities either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.

Independent Audit Report to the members of HalfCut Limited

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

Location